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DEBATES

OF

THE SENATE

OF THE

DOMINION OF CANADA.

REPORTED, EDITED AND PUBLISHED BY

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THIRD SESSION—FOURTH PARLIAMENT.

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DEBATES AND PROCEEDINGS

OF THE

SENATE OF CANADA

FOR THE

THIRD SESSION OF THE *FOURTH PARLIAMENT* OF THE *DOMINION* OF *CANADA*, CALLED FOR *DESPATCH* OF *BUSINESS* ON THE NINTH DAY OF DECEMBER, 1880.

SENATE CHAMBER,

Thursday, December 9th, 1880.

The members assembled in the Senate Chamber.

Prayers and routine proceedings.

NEW SENATOR.

Hon. **Joseph Northwood**, of the town of Chatham, Ontario, summoned to the Senate in the room of Hon. George Brown, deceased, was introduced and, having taken and subscribed the oath prescribed by law, took his seat.

The House was adjourned during pleasure.

SPEECH FROM THE THRONE.

The members of the Senate being assembled, His Excellency was pleased to command the attendance of the House of Commons, and that House being present, His Excellency was pleased to open the Third Session of the Fourth Parliament of the Dominion of Canada, with the following Speech from the Throne:—

Honorable Gentlemen of the Senate;

Gentlemen of the House of Commons:

In opening this, the Third Session of the present Parliament, I have to offer you my sincere congratulations on the bountiful harvest with which Canada has been blessed, as well as on the undoubted return of her commercial prosperity, and the substantial development of her various industries.

During the recess my advisers thought the time opportune for making another attempt to carry out the declared preference of Parliament for the construction and operation of the Canadian Pacific Railway by means of an Incorporated Company, aided by grants of money and land, rather than by the direct action of the Government.

Three of my Ministers therefore proceeded to England for the purpose of carrying on negotiations to that end.

I am pleased to be able to inform you that their efforts were so far successful that a contract has been entered into, subject to the approval of Parliament, with men of high financial standing in Europe, the United States and Canada, for the speedy construction and permanent working of this great national enterprise.

The contract and the papers connected therewith, will be submitted to you without delay, and I invoke for them your early and earnest consideration.

With this view I have summoned you before the usual period, as no action can be taken by the contractors to prosecute the work, and no permanent arrangement for the organization of a systematic emigration from Europe to the North-West Territories, can be satisfactorily made until the policy of Parliament with respect to the railway has been decided.

Steady progress has been made in the construction of those portions of the railway now under contract. Two additional sections have been recently opened for traffic, one from Winnipeg to Portage la Prairie, the other from Cross Lake to Keewatin; so that there are now in all 264 miles in operation.

You will be glad to learn that the measures adopted to promote economy in the working of the Intercolonial and Prince Edward Island Railways have resulted in a large reduction of the difference between revenue and expenditure; and that the steadily increasing traffic warrants the expectation that during the current year these railways will be self-sustaining.

I have the gratification of informing you that Her Majesty's Government has generously presented to Canada, for training school purposes, the steam corvette *Charybdis* lately returned from service in the Chinese Seas. The correspondence on this subject will be laid before you.

I have thought it well, in consideration of the increasing duties thrown by the development of the country upon the Civil Service, and for the more efficient organization of such service, to issue a Royal Commission to examine and report on the whole question.

The Report of the Commissioners will, I believe, be ready to be laid before you at an early day; and I ask for your consideration of such report and of the whole subject of Civil Service Reform.

A measure for the enlargement of the boundaries of the Province of Manitoba will be submitted to you.

I greatly regret being obliged to state that the entire failure of the usual food supply of the Indians in the North-West, to which I called your attention last Session, has continued during the present season, and has involved the necessity of a large expenditure in order to save them from absolute starvation. Several of the Bands have, however, already applied themselves to the cultivation of their Reserves and the care of their cattle. No effort will be spared to induce the whole of the aboriginal population to betake themselves to agricultural pursuits.

Gentlemen of the House of Commons:

The Accounts of the last, and the Estimates for the ensuing year will be laid before you. The Estimates will, I trust, be found to have been prepared with due regard to economy and the efficiency of the Public Service.

It will be satisfactory to you to know that the existing Tariff has not only promoted the manufactures and other products of the country, but has so far increased the revenues of the Dominion as to place it beyond doubt that the receipts of the current fiscal year will be in excess of the expenditures chargeable to consolidated revenue.

Honorable Gentlemen of the Senate;

Gentlemen of the House of Commons:

Several measures of importance will be submitted to you; among them will be Bills for the winding up of Insolvent Banks and Incorporated Companies; for the amendment of the Railway Act of 1879; for the revision and consolidation of the laws relating to Government Railways; and for the improvement, in several respects, of the Criminal Law.

I am pleased to be able to inform you that there are now good hopes of our being able to place the naturalization of German settlers on a more satisfactory footing. A measure will be submitted, with all the papers connected with the matter, for your consideration.

Your best attention will, I am sure, be given to the subjects I have mentioned, as well as to everything that affects the well-being and good government of the Dominion.

His Excellency the Governor General was pleased to retire, and the House of Commons withdrew.

The House resumed.

BILL INTRODUCED.

Hon. Sir ALEX. CAMPBELL introduced a Bill intituled "An Act relating to Railways."

The Bill was read the first time.

THE ADDRESS.

MOTION.

Hon. Sir ALEX. CAMPBELL moved—That the House do take into consideration the Speech of His Excellency the Governor General to-morrow.

The motion was agreed to.

THE ORDERS AND CUSTOMS OF THE SENATE.

COMMITTEE APPOINTED.

Hon. Sir ALEX. CAMPBELL moved—That all the Members present during this Session be appointed a Committee to consider the Orders and Customs of this House and Privileges of Parliament, and that the said Committee have leave to meet in this House, when and as often as they please.

The motion was agreed to.

THE LIBRARY OF PARLIAMENT.

FIRST REPORT.

The SPEAKER presented to the House the Report of the Librarian, on the state of the Library of Parliament.

The Senate adjourned at 3.45 p.m.

THE SENATE,

Friday, December 10th, 1880.

The Speaker took the chair at Three o'clock.

Prayers and routine proceedings.

THE ADDRESS.

Hon. Mr. GIBBS — A duty has been assigned to me upon the present occasion to move an Address in reply to the gracious Speech which His Excellency has been pleased to deliver to both Houses of Parliament. I may say that I should have been very much better pleased had it been assigned to some one who would have discharged the duty that now devolves upon me in a much more satisfactory manner than by any possibility I can expect to do. Although this is not the first time that I have had the opportunity or privilege of moving an Address in reply to the Speech from the Throne, yet I feel that I do so today under very different circumstances from those under which I did it in 1866, while addressing the other branch of the Legislature of the then Provinces of Canada. When I heard His Excellency deliver his Speech yesterday, I could not help going back to the time when I had the honor of moving the Address on the occasion to which I have just alluded. I was forcibly reminded, as he progressed with his Speech, that the questions of that day sink into comparative insignificance when contrasted with the important questions which are submitted to the consideration of this Parliament. Upon that occasion we had the Fenian raid upon us, which had to be suppressed, and Parliament then, as now, had been called together at an extraordinary season of the year, warranted by the circumstances of the case. The questions that that Parliament had to deal with, though very important, now seem trivial when compared with those which have been presented, and which will be presented, for the consideration of the Parliament which is now assembled. Though the great question of Confederation was before that Parliament, and had been practically disposed of by the Legislatures of the Provinces of Upper and Lower Canada, and by the Legislatures of Nova Scotia and New Brunswick, yet, all that that Parliament had to deal with was the consideration of the Union of the older Provinces, whose names I have just mentioned, and whose Legislatures had given assent to the terms of Union. The legislation contemplated under the British North America Act, extended only to these provinces, and was of an inter-provincial character. Now, the legislation which this Parliament is called upon to deal with, extends to half a continent. Then the question which naturally followed from the consideration of the measure of Confederation, was the construction of an intercolonial railway. Now, the question which this Parliament will have to deal with, is not one simply intercolonial in its character, though it is to benefit the remote provinces which have since been added to the Union, but it is the construction of nothing less than a trans-continental railway. The consideration of the finances and resources of the country, caused no little anxiety to those that were about to enter into the Confederation of the several provinces. To-day the question which you will have to consider — which the Parliament of Canada will have to consider — is perhaps the most important one which may come before it for a number of years, as it is certainly the most important that has engaged the attention of Parliament for the last decade. If one may judge from what has taken place in the past, he may fairly reason that the measure which appears so important to-day may, to the statesman of a decade hence, appear as insignificant as the measure of fifteen years ago appears to the statesman of to-day. The progress of the country is so great that great events have crowded upon us rapidly and imperceptibly. I make these few introductory remarks because they were forced upon my attention by the Speech which His Excellency was pleased to deliver to both Houses of Parliament yesterday. The first question which naturally engages the attention of hon. gentlemen is the fact that we have been called together at a time which is rather out of the natural order, looking, as we invariably do, to February as the month in which Parliament should be convened; but, as I have already stated, the grave questions to be presented for your consideration warrant this early meeting. The first subject to which His Excellency calls our attention is the fact that Canada has been blessed by a bountiful harvest. I think you will agree with me that it was right and proper that His Excellency should begin his gracious Speech by referring to such an important fact. That Canada has been blessed with a bountiful harvest is, indeed, a matter of gratification. Although not as good and bountiful as one could wish in some parts of the country, yet, taking it as a whole — looking at it from an average point of view — His Excellency is quite warranted in making the statement found in the Speech now in our hands. This has, no doubt, contributed to the prosperity on which His Excellency in the next paragraph congratulates the country. That the harvest will tend, and has tended, to bring about this desirable end is a point that will be readily conceded by every hon. gentleman who had the pleasure of listening to His Excellency, or of reading the Speech since it was delivered. Not only has there been a bountiful harvest, but, I think, taken in connection therewith, the legislation of two sessions ago has contributed in no small degree to bring about the prosperity to which His Excellency alludes. I am not going to discuss to-day whether the National Policy, as it has been termed, has brought about the prosperity with which Canada is blessed at the present moment. I think it would be, perhaps, out of place on this occasion, but I cannot help remarking that there have been during the last few years seasons in which an abundant harvest has been reaped without the prosperity ensuing which has attended the reaping of that of 1880. That policy has contributed in no small degree, in my opinion, to the prosperity which Canada is now enjoying. I could cite, were it necessary, the improved position of several interests which have of late years been much depressed, as evidence of the commercial prosperity alluded to. I allude to the shipping interest as one of them. Our shipping has been earning much better freights during the past year or two than in years preceding, and this has aided materially in bringing about the prosperity of the country. Then, if we look at the question of inter-provincial trade, of which we may, perhaps, judge to some extent by the returns made of the Intercolonial Railway traffic, we find that it must have been very materially increased, and has also, to a considerable extent, contributed to restore the commercial prosperity of the country. Then again, our increased exports, I am happy to say, show that many of our industries have been stimulated by the National Policy, and, though not yet in full blast, are feeling their way into foreign markets. I make the statement advisedly that many manufactures have been exported not only to England, but to the far off colonies of Australia, as well as to one of our own provinces, Manitoba. These industries, which have been feeling their way in other countries, have met with a degree of considerable success, and I hope they will be warranted in exporting more largely than they have yet done. Not only has this contributed to the undoubted prosperity of the country, but also to the substantial development of our various industries. In this connection I may state the fact that some sugar refineries, which had been closed before the passing of the National Policy, have been stimulated so far as to be re-opened, and that operations have been recommenced with every promise of success. Not only this, but I may also point to the fact that in the city of Halifax, towns of Moncton, Tilsonbury and West Farnham, sugar refineries are also in course of construction, involving an expenditure of, perhaps, a million of dollars or upwards. I do not think that I am stretching the point, or going beyond the record, when I state that all these industries are dependent, more or less, upon the continuance of the policy which was adopted in this country in 1879. I might refer also here to many other industries of the country, and I am happy to know that one of the largest of them—the lumbering trade—though I do not say this arises from the adoption of the National Policy—has vastly improved, largely owing to the returning prosperity in the United States, which, reflecting on us, has benefitted this industry in the most extraordinary manner. I trust that the prosperity which is now enjoyed throughout the country will be continued and increased in the future. But the most important question that will be submitted for your consideration is that which relates to the construction of the Pacific Railway, and is couched in the language of the succeeding sections, upon which I will speak for a moment or two. His Excellency informs us:

> "During the recess my advisers thought the time opportune for making another attempt to carry out the declared preference of Parliament for the construction and operation of the Canadian Pacific Railway by means of an incorporated company, aided by grants of money and land, rather than by the direct action of the Government."

I take it there is but one opinion upon the propriety of adopting the course recommended in the section which I have just read and the two or three others which immediately succeed it. I believe there is a fixed determination in the minds of the people of this country, and, I doubt not, in the minds of the members of this Parliament, that, if possible, the construction of this railway shall be executed in the way indicated. The propriety of doing so has been conceded not only by the members of one party, but by both political parties in this country. Parliament has adopted resolutions embodying that principle on more than one occasion, and I am sure that you will be glad to learn that this great enterprise is to be built by an incorporated company. It would be idle for me now to discuss the merits of a question not yet placed in the hands of hon. gentlemen. I am myself as much in the dark as any member of this House can possibly be (outside of the Government) with reference to the terms of this contract. I only know what it is supposed to contain from the public prints, but I should not be at all surprised if, when the contract is placed on the table, the salient points of the agreement for the construction of this road (entered into with certain parties in Europe, the United States and Canada) have by some means or other found their way into the public press, and that the main facts have been correctly stated. However, as we are yet in doubt and uncertainty on the subject, I do not think it will be wise or becoming to discuss terms which have not yet been made known officially, or to say whether it is wise, prudent or advisable to enter into that contract. One thing, however, I think I may say, and, I believe, hon. gentlemen, you will entirely concur with me, that whatever number of millions of acres of lands, whatever number of millions of dollars in money, may be granted to any incorporated company as a subsidy to aid in the construction of this great public undertaking, Parliament will see to it that such safeguards surround this contract, and such guarantees shall be given for its performance, that by no possibility shall it return into the hands of the Government incompleted; or, if completed, that the parties shall faithfully adhere to its terms and operate it for the time during which, under that contract, they have agreed so to do. I believe that we can have but one feeling with reference to that point. Having considered the principles laid down for the construction of this work—and I believe scarcely anyone will be found to object to them—Parliament will see to it that all necessary precautions shall be taken to insure the faithful fulfilment of the contract by those who have undertaken to construct this gigantic work. I am happy to know, and this House will also be glad to know, that the parties who are reported to have entered into this contract are not only residents of the Dominion, but also of the United States and the Continent of Europe, and I presume by the use of the words "financial standing in Europe" we are to infer that gentlemen of high financial character in England and France, and perhaps Germany and Belgium, have become parties to this great contract, and that having brought them into it—having made them parties to it—we shall have organized by those who have undertaken to build this important work, a system of immigration into the North-West Territories, which will make that country what we all desire to see it—the home of millions, and of a happy and prosperous people. We are also congratulated by His Excellency upon the fact that steady progress has been made with the construction of this work; and yet, although we are told that 264 miles of this railway are now in operation, we have scarcely entered upon the threshold of this gigantic undertaking, and the number of miles already in operation forms scarcely a tithe of it. We are glad to know that progress is also being made in the construction of other portions of this great work, and that soon, by the opening of a new line of railway extending from Lake Superior to Winnipeg (410 miles), with the additional two or three hundred miles being constructed into the interior, probably one-third or nearly one-half of this great undertaking will then have been completed. His Excellency also informs us:—

"You will be glad to learn that the measures adopted to promote economy in the working of the Intercolonial and Prince Edward Island Railways have resulted in a large reduction of the difference between revenue and expenditure; and that the steadily increasing traffic warrants the expectation that during the current year these railways will be self-sustaining."

This, I am sure, is a matter for congratulation to every hon. gentleman, the fact that the revenue and expenditure are coming so nearly together, that the time is not very far distant when these railways will be self-sustaining. I remember when making some observations upon the construction of the Intercolonial Railway, a number of years ago, when Confederation was being discussed—its construction was made a part and parcel of the British North America Act—that any hon. member who ventured to assert that that road would ever be used for commercial purposes, in any sense whatever, would be regarded as little less than a madman. There were hon. gentlemen who opposed the construction of that road at that time who showed very forcibly, and, in their own opinion, very conclusively, that it would be utterly impossible to carry a barrel of flour on it to the Maritime Provinces—that the cost of doing so would make it impossible. The system which has been adopted, though it has not been directly remunerative, in one sense, has answered all the purposes for which its friends contended when, in 1867 and 1868, they were voting money and making appropriations for its construction. It is, therefore, a matter of congratulation to every hon. member to know, that by reducing the expenditure and increasing the revenue, we are led to hope that the railway will be shortly self sustaining. Then, His Excellency informs us that we are to have for training school purposes H.M.S. *Charybdis*. I trust all the benefits expected from the possession of that vessel will be more than realized. We are also informed that there is a possibility of the Civil Service being re-organized, a Royal Commission having been formed to report upon the subject. I trust that something may result from the report of this Commission which it is desirable should be accomplished in so important a matter as that of Civil Service reform. We are informed that the Province of Manitoba is to be enlarged, and His Excellency concludes by informing us that we shall have legislation upon certain important subjects which I shall not here enumerate, as every hon. gentleman has them before him, and it is unnecessary that I should take up time in adverting to them. I will conclude my observations by simply stating that whatever legislation may be brought before this Parliament for its consideration will receive the attention which its importance demands, and I trust and believe that whatever legislation may take place on the part of Canada will be such, in the future (as in the main it has been in the past) as will tend to the social, moral and material well-being of those for whom Parliament has been called to legislate. With these observations, I have much pleasure in moving the following resolution:—

That the following Address be presented to His Excellency the Governor-General, to offer the respectful thanks of this House to His Excellency for the gracious Speech which His Excellency has been pleased to make to both Houses of Parliament, namely:—

"To His Excellency the Right Honorable Sir John Douglas Sutherland Campbell (commonly called the Marquis of Lorne), Knight of the Most Ancient and Most Noble Order of the

Thistle, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Governor General of Canada, and Vice-Admiral of the same, &c., &c.

"MAY IT PLEASE YOUR EXCELLENCY:

"We, Her Majesty's dutiful and loyal subjects, the Senate of Canada, in Parliament assembled, respectfully thank Your Excellency for your gracious Speech at the opening of this Session.

"We also thank Your Excellency for your congratulations on the bountiful harvest with which Canada has been blessed, as well as on the undoubted return of her commercial prosperity, and the substantial development of her various industries.

"We are glad to learn from Your Excellency that during the recess your advisers thought the time opportune for making another attempt to carry out the declared preference of Parliament for the construction and operation of the Canadian Pacific Railway by means of an incorporated company, aided by grants of money and land, rather than by the direct action of the Government; that three of Your Excellency's Ministers therefore proceeded to England for the purpose of carrying on negotiations to that end; and that their efforts were so far successful that a contract has been entered into, subject to the approval of Parliament, with men of high financial standing in Europe, the United States and Canada, for the speedy construction and permanent working of this great national enterprise.

"The contract, and the papers connected therewith, which Your Excellency has been pleased to say will be submitted to us without delay, will not fail to receive from us that early and earnest consideration which Your Excellency has invoked for them.

"It is with that view, we note, that Your Excellency has summoned us before the usual period, as no action can be taken by the contractors to prosecute the work, and no permanent arrangement for the organization of a systematic emigration from Europe to the North-West Territories, can be satisfactorily made until the policy of Parliament with respect to the railway has been decided.

"It affords us pleasure to be informed by Your Excellency that steady progress has been made in the construction of those portions of the railway now under contract, and that two additional sections have been recently opened for traffic, one from Winnipeg to Portage la Prairie, the other from Cross Lake to Keewatin; so that there are now in all 264 miles in operation.

"We are glad to learn that the measures adopted to promote economy in the working of the Intercolonial and Prince Edward Island Railways have resulted in a large reduction of the difference between revenue and expenditure; and that the steadily increasing traffic warrants the expectation that during the current year these railways will be self-sustaining.

"We derive great gratification from the announcement that Her Majesty's Government has generously presented to Canada, for training school purposes, the steam corvette *Charybdis*, lately returned from service in the Chinese Seas; and we thank Your Excellency for saying that the correspondence on thi subject will be laid before us.

"We hear with interest that Your Excellency has thought it well, in consideration of the increasing duties thrown by the development of the country upon the Civil Service, and for the more efficient organization of such service, to issue a Royal Commission to examine and report on the whole question.

"When the Report of the Commissioners is laid before us, as Your Excellency has been pleased to intimate that it will be at an early day, we shall apply ourselves with pleasure to the consideration of such report and of the whole subject of Civil Service Reform.

"We thank Your Excellency for informing us that a measure for the enlargement of the boundaries of the Province of Manitoba will be submitted to us.

"We greatly regret to hear from Your Excellency that the entire failure of the usual food supply of the Indians in the North-West, to which Your Excellency called our attention last session, has continued during the present season, and has involved the necessity of a large expenditure in order to save them from absolute starvation. We are glad to learn, however, that several of the Bands have already applied themselves to the cultivation of their reserves and the care of their cattle, and that no effort will be spared to induce the whole of the aboriginal population to betake themselves to agricultural pursuits.

"It affords us pleasure to learn that several measures of importance will be submitted to us, and that, among them, will be Bills for the winding up of insolvent banks and incorporated companies; for the amendment of the Railway Act of 1879; for the revision and consolidation of the laws relating to Government railways; and for the improvement, in several respects, of the criminal law.

"We are pleased to learn from Your Excellency that there are now good hopes of our being able to place the naturalization of German settlers on a more satisfactory footing, and that a measure will be submitted, with all the papers connected with the matter, for our consideration.

"Our best attention will, Your Excellency may be sure, be given to the subjects you have mentioned, as well as to everything that affects the well-being and good government of the Dominion."

Hon. Mr. McLELAN.—It affords me very great pleasure to second the Address which has been moved in answer to the Speech from the Throne. The task that has been left for me is an easy one. The hon. gentleman, with that skill acquired in 1866 and since, has left but little for me to say or do in the matter. He commenced at the paragraph which refers to the harvest, and, passing over the entire field, reaps the whole harvest of speech which it affords. Had I anticipated that he would have gathered so closely, I should have said to the leader of the Government, I would thank him to instruct his young man to leave a few handfulls for me to glean after him. But, under any circumstances, hon. gentlemen, the task would be comparatively easy, for this Speech from the Throne, I believe, in its main features, commends itself to the intelligence of this House, and of the country at large. We are asked in the opening paragraph, as has been stated by the hon. mover of the Address, to accept the congratulations of His Excellency for the bountiful harvest with which Canada has been blessed. The blessings of a good harvest, hon. gentlemen, are very widely diffused, and I was reminded upon looking at that volume which lies on the table before me, but which is seldom quoted in Parliament, except by our chaplain, of a very excellent authority, who says that "the profits of the earth are for all, and the king himself is served by the field;" and, therefore, hon. gentlemen, as the blessings of the harvest are widely diffused from king to people, all ranks and conditions of life, high and low, rich and poor, can with grateful hearts to the Giver of all good, accept the offered congratulations for the blessings of this bountiful harvest which has been given to our whole land. But, hon. gentlemen, as has been remarked before by my hon. friend opposite, it is not in this year alone that we have had good harvests. These words of congratulation have become familiar to our ears. For many years in succession Canada has been blessed with good harvests, and yet, as he says, the results that might naturally be anticipated from good harvests, have not been realized. We were for a period of years, to a certain extent, content with those good harvests. We were content that Providence should give us sunshine and rain, and should bring the seed which the agriculturist cast into the ground to maturity, but we left undeveloped all the other vast natural resources which that same good Providence had placed in our hands. The same bountious hand that dropped down fatness from the clouds, that gave the dew and the rain, and the sunshine that warmed and invigorated the seed cast into the ground; the same hand that, with golden sunbeams, gilded the ripening corn, cast in profusion all over this Dominion, from sea to sea, from the Atlantic to the Pacific, an inexhaustible supply of every material required in building up this great country, and making her prominent among the nations of the earth. But we left these comparatively untouched—we used but one of the many talents that were committed to our care. We gathered the bountiful harvests Providence gave, and spent the surplus, as well as large loans, mainly in foreign countries, in the purchase of goods which gave employment to the people of those lands, thereby sustaining their industries, developing their resources, and adding to their property and greatness. For five long years the craft upon our rivers and lakes were comparatively unemployed; the cars on our railways ran half filled, except in bringing to us the produce of foreign industries; our factories comparatively idle or closed, and the public records and exchequer, year by year, proclaiming our growing poverty. So manifest had this become, notwithstanding the benefits of the good harvests, that the public attention was turned to the consideration of a remedy, and the public sentiment of this country, with a unanimity rarely seen, declared that the policy of the Government should be changed. That change was made in accordance with the will of the people, as declared in 1878. And we are now, as the hon. gentleman opposite says, seeing some of the fruits of this change, and that part of the paragraph of the Speech which has so often met our eyes has been expanded and completed, and we are congratulated not only for the blessings of a bountiful harvest, but the returned prosperity, and the substantial development of the industries of the country. The next paragraph of the Speech refers to a question that has for a long period occupied the attention of this country. There is, perhaps, no question since the confederation of the provinces that has occupied it more, and that has been of more importance to the Dominion at large than the question of the Canadian Pacific Railway. When the gentlemen who led the Government of this country from 1867 to 1873 completed the confederation of the older provinces, they turned their attention westward, and they found there a large extent of country, which was comparatively unknown, but which it was believed contained that which was necessary to the completion and to the success of the whole Dominion. They had seen that, notwithstanding we had abundance of good soil in the older provinces, that the ease with which the prairie farms could be cultivated, and the productiveness of the soil, offered attractions to many of our young men which they were unable to resist, and for years some of the best blood of the country—the bone and sinew of the provinces—had been passing over into the United States, to find homes on that prairie land, and help to develope that western country and build up the whole Union. The census of 1870 shows that for the ten years preceding, there had passed out of Canada on an average, twenty-four thousand of our people every year; and I am quite satisfied that the census of this year of the United States will show that of Canadian born subjects, or the descendants of Canadian born subjects, there are now in the United States, between one and two millions of people, most of whom but for the prairie soil, or the great impetus that has been given to eastern trade in consequence of the development of that western country, would be residents of the Dominion. Therefore, there was wisdom in endeavoring to ascertain if that great drain upon this country could not be stopped, and that those who desired prairie farms should find the same attractions under our own flag as exist in the Western States. Therefore, the purchase of the North-West was completed, and then the Province of British Columbia was added to it. Then the question arose, "How are we to utilize this purchase?" and the only answer that could be given to that was by providing facilities for rapid and easy intercourse with that territory, not only to enable the intending settlers to reach the prairie, but that the produce of their farms might find a route to the markets of the East. The whole people agreed as to the desirability or the necessity of having a Pacific Railway to open up this country, and to connect and bind the whole together. Differences of opinion, however, existed as to our ability to meet the cost, as well as the mode to be adopted to secure it. The men, who then led the Government of the country, proposed the plan pursued largely in the United States, of making the lands contribute largely to the cost of the roads over them. In the past twenty years the United States Government has given over sixty millions of dollars in money, and 200,000,000 acres of land, mainly for the construction of railways. The proposition of our Government originally was based upon this practice of the United States: to give to any company undertaking the work a subsidy in money, and land. Circumstances to which we need not refer, prevented the accomplishment of that policy. A change of Government took place. The road was taken in hands by the new Government, and construction was proceeded with, and, I am sure, if we required any proof of the wisdom and advantages of the other course, we had it during the five years in which the railway was being carried on as a government work. Another change of Government has taken place, and the gentlemen who originally moved in this Pacific Railway have now the management of it. Adhering to their original plan of construction by a company, as approved by Parliament, they have sought for one equal to the undertaking, and announce to us that they have succeeded. The particulars of the contract are not yet public, but doubtless there is a subsidy of money and lands, as originally proposed. The land without railways is of no value whatever to us, and if by giving even a large portion for the construction of a road which will render the whole, including what we retain, of value, then we are the gainers—looking to the mere disposal of land—and shall have by that enhanced value more than the money portion of the subsidy returned to us. The whole territory, when held by the

Hudson Bay Company, was to them valueless, except as a hunting field. In the transfer to the Dominion they made reserves of comparatively small portions in different localities, and now under the prospect of a development of the territory, by the construction of railways and settlement, the reserves are of more value to the company than was the whole territory in its wild condition, and just so will it prove to the Dominion; after the subsidy of land is set off, however large it may be, that which will remain to us will be, with the railway completed, of infinitely more value than was the whole, and, what is of incalcuable advantage, give ready access to that vast fertile region where our own sons and the immigrants who come to us may find homes for themselves and their descendants to give strength, prosperity, and stability to the Dominion. Reference is made in the speech to the Intercolonial Railway, and we are told that its position financially has been greatly improved. My hon. friend who moves the Address has referred to the discussions in Parliament respecting the construction of that work, and the doubts which were expressed that it would be of any commercial value to the Dominion, or that it would ever carry a barrel of flour. I have not the returns of freight carried over the road, but I am sure it is beyond the anticipations of the most sanguine friends of the line; but whilst the traffic was large the position in which it came to the hands of its present managers in 1878-9 was certainly discouraging. On the main line the expenses overran the receipts $716,000, and on the Prince Edward Island road $90,000. This was a condition of things of the utmost importance to the whole Dominion. The men of the West had benefitted largely by the road in enabling them to send their products to the Maritime Provinces, but as they claim to be the largest taxpaying portion of our people it was not pleasant to them to face an annual deficit of over three quarters of a million in the working of that road; besides, this deficit was so great as to preclude the idea of reduced freights on their produce to meet the reductions in competing lines south of us for the produce of that country to the seaboard. Eastward for the same reasons, as well as because we required increased accommodation for traffic which we could not expect with so large a deficit, the condition was discouraging; and I am sure it will be gratifying to all to learn the almost marvellous change which has been brought about. So soon as the present head of that Department ascertained its full position, with a vigorous hand he commenced a reduction of the expenses, and so well has he succeeded, that whilst the cost of 714 miles of road was in the year preceding his management $2,010,000, in the succeeding year, and with the Riviere du Loup line added from August, making 836 miles to work, the expenses, with this increased mileage, were reduced to $1,600,000, which, with an increase of receipts, left but a small deficit, and the present year gives every assurance that there will be a surplus, with the road in splendid condition. This, I maintain, is a matter of vital importance, both East and West, inasmuch as so soon as the receipts and expenditure approach a balance, we can expect increased expenditures to develop new trades and better meet the requirements of the old. Having occupied so much of your time, hon. gentlemen, I must leave the other paragraphs as presented by my hon. friend, the mover of the Address, believing with him that this hon. House will give careful consideration to every matter presented to it affecting the well-being and good government of the Dominion.

Hon. Mr. SCOTT made some comments on the speeches of the mover and seconder, and added a criticism on the general policy of the Government.

[The above has been substituted, by Mr. Scott's direction, for the full report of his speech.—SENATE REPORTERS.]

Hon. Sir ALEX. CAMPBELL—I have listened, and I am sure the House has listened, with great pleasure to the remarks of the hon. gentleman who moved, and the hon. gentleman who seconded, the motion which is now under consideration. It would be presumptuous on my part to offer either of these gentlemen, who have experience equal with my own of legislation and in parliament, congratulations upon the speeches which they have made, but I think the House will agree with me that, often as we have heard the duty performed, we have never heard it done more ably, nor with a more thorough knowledge of the subjects to be considered by the House, in dealing with the resolutions under discussion. I can find very little fault with the remarks of the hon. gentleman opposite (Mr. Scott). He is always a pleasant speaker to listen to, and though one may differ from his conclusions, one can always see that the intentions of my hon. friend are for the promotion of that thorough understanding and complete discussion of all subjects before the House which are so desirable and useful. The hon. gentleman, if he will allow me to say so, rather mis-states, I think, the circumstances relating to several of the topics which he has discussed during the course of his remarks. I will not detain the House for many moments, but I shall refer to three of those subjects and point out what I mean. With reference to the summoning of Parliament, the hon. gentleman assumes that it is intended to force a very important subject, such as the Pacific Railway contract, and the corresponding legislation, upon the House with undue haste, with the idea that Parliament shall pronounce upon it before the holidays, or some other specific period. That is an assumption which the hon. gentleman had no right to make. Parliament has been summoned at this time because an early decision upon that subject is very desirable, but that the Government desire to have that decision one day, or one hour, before Parliament sees fit to give it, is an assumption that the hon. gentleman ought not, I think, to have made. The holidays will come, and when they come they will be dealt with, but the consideration of the question in this House or in the other branch of the Legislature will not necessarily terminate with the holidays. The desire of the Government is to give the fullest opportunity for discussion. The Government is anxious, undoubtedly, to get the opinion of Parliament upon this important measure as early as possible, in order that the very important steps which necessarily must be taken by those who are engaged in this gigantic undertaking may be taken in time for next season.

Hon. Mr. SCOTT—I understood that several members of the Government had stated that if the contract was not ratified by the Christmas holidays, there would be no adjournment, except for a day or two.

Hon. Sir ALEX. CAMPBELL—That would not justify the assertion which the hon. gentleman made, that the Government wished to get this through before the holidays, and would not give a sufficient opportunity to discuss it. That is why I think the hon. gentleman, it seems to me, somewhat distorts the facts. I was going on to say that the object and wish of the Government is to get through the legislation and to get the opinion of Parliament upon this important subject as soon as possible, in order that these very large measures of preparation which are required for this contract may be taken at the earliest possible date. One of the most important is the arrangement for immigration to this country. That immigration must take place during the proper season of next year. Unless the decision of Parliament can be reached at an early date upon this measure, the gentlemen who have this undertaking in hand will not be able to put the large machinery, which they require to use, in force in time for next summer's operations. No such enterprise has ever been assumed by any body of men as will be undertaken by these contractors, in case Parliament sanctions the measures which the Government have provisionally adopted. They have undertaken, in one word, to people half a continent. The whole success of the enterprise, both to them and to the people of this country, turns upon their being able to people all that vast territory in the North-West, and it is in order to give them an opportunity of beginning that work in time next spring, so that settlers may arrive there at the proper season of the year—that season which is most likely to lead to success, and so spread a feeling of confidence among the immigrants who are to follow—that Parliament has been convened at such an early date. We have no desire to press it unduly upon their consideration, but to give such time as Parliament believes necessary for a decision. Not only with reference to immigration, but in regard to everything else, what an enormous undertaking it is! What processes must be put in force for the purpose of trying to carry it out successfully; what contracts to be made; what constructions to be undertaken; what arrangements for shipments here, arrangements for supplies, and a thousand other things a company of that kind has to commence, in order to begin such a gigantic operation in a sufficiently early period next spring to assure the country that the season of 1881 will be one which will mark progress in this enormous undertaking. These are the considerations which have induced the Government to summon Parliament so early. It will be the most important season of any that will occur during the progress of the work, because a great deal will turn upon the experiences of the first bands of emigrants who enter the country, and whose reports will influence all who follow the pioneer band to this country. These are the reasons which induced the Government to summon Parliament, and every business man on either side of the House will say that they are sufficient to justify the Government in having asked Parliament to come together at what some may consider an inconvenient period, (though I hope it will not prove so to many,) to give their assistance to the Government in considering the measures which will be submitted to Parliament. My hon. friend criticized the Government because they did not take the public into their confidence. It seems to me that the Government have taken the right course. They have seized the earliest opportunity to take the representatives of the people into their confidence. It is through Parliament that the Government has to deal with the people of the country. It would not have been becoming to have allowed a matter of such importance to go to the public through the press before submitting it to Parliament, especially when Parliament has been summoned as quickly as possible for the special purpose of hearing and considering the details of the contract. It did not seem to the Government that it would have been proper to forestall the deliberations of Parliament and to give this information to the press in the manner that the hon. gentleman has suggested. I

think both Houses of Parliament will see that in pursuing that course the Government have treated them with proper respect. The hon. gentleman criticized that paragraph which alludes to the progress made in the construction of the railway in the North-West, and says that in the Speech of last year the 100 miles to be constructed west of Winnipeg were referred to, and that the section was to have been completed "in a short time," and he seems to think that it is not yet built; but the railway has been built as far as Portage la Prairie, and the locomotive is likely to run over the whole section to which he refers during the present month, so that my hon. friend has not full information on that subject. He attributes the delay to the work having been undertaken by the Government. The truth is, the delay was due to the fact that the work was undertaken by a contractor and not carried out by him. The contractor (Mr. Ryan, I believe), for the first 100 miles west of Winnipeg, met with great difficulties. It was a wet season. He was without resources to carry on his contract, and the Government, after some delay, took it out of his hands. It was only in that way that the Government assumed the work. The section will be completed during the course of the month. My hon. friend criticizes the Commission for the Civil Service, and the evidence which is being taken before that Commission, and thinks that the members of the Government might themselves have arrived at better conclusions than the Commission. It is a difficult matter for members of the Government to consider such a subject, and to devote to it the necessary time and attention, and there is this advantage attending the Commission—you are enabled to bring to the consideration of the subject minds outside of the Government, which is a very valuable thing. We have on the Commission a gentleman who has been long connected with commerce in Ontario, and who has had large experience in the employment of men, and is, therefore, fit to form an opinion on the question of the Civil Service. We have also a gentleman connected with banking in Quebec, who has had large experience in the employment of men. These two gentlemen, therefore, bring a very valuable experience to the consideration of this subject, which members of the Government could not bring, and one which will be found, I think, very useful. Members of the Government are too apt, as they see things going on from day to day, and week to week, and year to year, to think nothing more can be done with the service. It is there and doing pretty well, and members of the Government see nothing outside of it. But those gentlemen come with fresh experience and different ideas, and bring experience which the members of the Government cannot have. The higher branches of the Civil Service are also represented. There are two or three deputy heads, and gentlemen who are subordinate officers. It seems to me that a commission, composed as this is, is probably the best tribunal to which you could submit such a question. Then, my hon. friend criticizes the examining of officers of the departments. That was done in a spirit of fairness. The junior officers of each Department have, of course, their views as to promotion, augmentation of salaries, hours of duty, their relative positions, and all that kind of thing, and the object in calling them was that those views and feelings and wishes might have fair representation. It is right and proper that it should be done. Of course, the Civil Service Commission, when they make their report, if that report should be adopted by the Government and sanctioned by Parliament, will govern the future of those young men, and regulate the steps by which they shall rise in the service and have their salaries increased, and it was but fair that they should have the opportunity of representing their views and wishes to the Commission. I was very glad to hear my hon. friend's remarks about the Indians. The increased distress among them is deplorable. Whether we shall be able to spread among them a knowledge of farming and a desire to till the soil, is doubtful, but every exertion is being made to accomplish that result, by men who are as likely to succeed as any we could choose. I cannot give any statement as to the progress that has been made. But these efforts are probably the only way the Government can accomplish anything. There are some Indians who are more likely to endure the hardship of work, and more willing to work than others. The distances are so great in that country that one can hardly appreciate what is to be done unless one refers to them. The Indians it is proposed to deal with in this direction are some seven hundred miles from the work to be carried on. It is proposed to try an experiment with them, and to try to bring them to toil for their livelihood as white men do. We hope to succeed in that way. At all events, everything is being done that can be done. Into that vexed question, as to whom or to what cause the increased prosperity is due, I dislike to enter at length. It is like the money question which our former colleague, Mr. Wilmot, used to discuss—it is difficult to arrive at conclusions. My hon. friend (Mr. Scott) thinks that nothing is due to the National Policy. Neither the hon. gentleman who moved, nor the hon. gentleman who seconded, the Address, said that everything was due to the National Policy; they only said that it contributed to the returning prosperity of the country. I do not know how my hon. friend (Mr. Scott) gets over this fact, as pointed out by my hon. friend who moved the Address: There was a good harvest during the time of the late Government, they had not the National Policy, and prosperity did not return. These are three distinct positions which my hon. friend cannot controvert.

Hon. Mr. SCOTT—There was no prosperity in the United States either.

Hon. Sir ALEX. CAMPBELL—Still, it is quite reasonable to believe that a portion of it, at all events, (nobody says the whole of it) is due to the National Policy. The hon. gentleman says that some people may have benefitted to some extent who owned cotton mills and sugar refineries, but the general public has not. The advantage to the general public, it seems to me, is this: it has brought about prosperity to such an extent as to enable people to buy cotton and sugar; but there is not only that to be said, but in parts of the country where there are no cotton manufactories and no sugar refineries prosperity has returned. The hon. gentleman alludes only to these two industries. I happened to be in Toronto during an election which occurred there not long since, in the western part of the city, where there are a great many manufactures, and where the constituency is really controlled by the workingmen who are engaged in manufactures, and, as far as we could judge by the votes of those men and the result of the election, their views do not coincide with those of my hon. friend; they believe that something was to be attributed to the Government and the National Policy, because those men, who control a large constituency, returned a gentleman, by a large majority, to support the Government and the National Policy. There is no sugar or cotton manufactured in West Toronto. They have other general industries, iron, wool and wood. Having industries of that character, there is an instance in which a large, intelligent and representative population showed that they, at all events, believed that a portion of the prosperity was attributable to the National Policy, at least sufficient to induce them to support the Government, and that we considered was very satisfactory evidence. I am glad that my hon. friend did not go into the matter at greater length than he did, because really the House is not asked to pronounce upon that paragraph of the Address. It is directed to the House of Commons, but the hon. gentleman, hearing the remarks of the mover and seconder of the Address, naturally referred to the subject also, and I have followed him a little merely to show that we believe, at all events, a little of this prosperity is due to us—and we have evidence of it, not only in the election to which I have referred, but also others that have taken place—strong evidence to show that the public believe that some portion of the prosperity, at all events, is due to the exertions of the present Government, whom they are ready and anxious to support in the course it has pursued in this respect.

Hon. Mr. POWER—I am perfectly aware that the House is anxious to dispose of this matter as soon as possible, but I think that there are other duties which members must recognize, besides the duties which they owe to the House. During the debate on the Address in reply to the Speech from the Throne, at the opening of Parliament, is the time when the Government, to a certain extent, come up for judgment. They are supposed to tell us in the Speech the principal things that they have done during the recess, and they also tell us what they propose to do during the session; and there is usually a better opportunity to discuss the general policy of the Government and the condition of the country then than at almost any other time when members are tied down to resolutions which are actually before the House, or where a member gives notice of motion and has to confine himself to the subject of that motion. I shall venture to ask the attention of the House for a little while in going over the paragraphs of the Speech as briefly as possible. In the congratulation on the bountiful harvest, of course, we all join most cordially, but I think it would have been just as wise, perhaps, if the gentleman who moved the Address, and the gentleman who seconded the motion, had confined themselves to that, and had not gone on to talk of the effect upon our prosperity of the policy that was adopted two years ago. The hon. leader of the Opposition, I think, showed most clearly and satisfactorily, that the National Policy had nothing to do with the prosperity which has returned to the Upper Provinces. Coming from the Province of Nova Scotia, and particularly from the city of Halifax, I can state, with reference to that city, without the slightest fear of contradiction, that the prosperity which has been spoken of has not come back there. The fact is, that the city of Halifax is as little prosperous at the present day as at almost any time within the last half century; and I regret to say, too, that those who are best qualified to judge as to the future of that city, do not think that there is a prospect of any very early improvement. I shall have occasion to call the attention of the House, in a little while, to the views expressed on that subject by some of the most prominent business men in the city, men who have cordially supported the present Government. What is true of Halifax, I think, is true to the same extent, or almost to the same extent, of St. John, New Brunswick; and I do not hesitate to say that, to-day, if any man of sufficient ability were to devote himself to a repeal agitation in the three Lower Provinces, no more popular policy could be advocated, and at the expiration of a year's agitation, if a vote were taken, I believe that certainly not less than four-fifths of the population would vote for a repeal of the present Union. I am not speaking as a party man, but simply giving the opinion expressed by leading Conservatives in the Lower Provinces as well as by those who oppose the Government. The emigation from the Province of Nova Scotia and from Prince Edward Island has hardly ever been greater than it is to-day, and I believe the same is true of the Province of New Brunswick; and the regretable feature of it is that that emigration is not directed to our own North-West or to the Upper Provinces, but is almost altogether to the United States, a portion to the Eastern States, and a great proportion to the North-Western States, which enter into competition with our own new territory. I I think this state of things in the Maritime Provinces is a subject of great regret and I, for one, coming from one of those Provinces, cannot very cordially join in the congratulations on the return of commercial prosperity and our general happiness. The next paragraph deals with the proposed mode of constructing the Canadian Pacific Railway. I quite concur in everything that has been said on that subject by the leader of the Opposition. There are just two or three remarks of my own which I should like to add. The third paragraph says: "Three of my Ministers therefore proceeded to England for the purpose of carrying on negotiations to that end." Now, hon. gentlemen, it seems to me that that little trip—although I have no doubt it was a very delightful thing for the hon. gentlemen who enjoyed it—was altogether unnecessary, and was a useless expense, because it does not appear that the negotiations were brought to any thing like a head in England. The leading members of the Syndicate with whom the business has been transacted are not English or Continental, but Canadians and Americans, and the actual business of arranging the terms for the construction of the railway have been made since the return of those Ministers to this country. The circumstances are strongly in favor of this view of the case. If it is true that these arrangements were made in England months ago, why is it that, notwithstanding the great anxiety which the Government express that they should be ratified at once, Parliament is summoned to do so only to-day? If the work was done months ago in England, Parliament should have been summoned at an earlier date to ratify the contract, and allow the Syndicate to make the necessary preparations for going on with their work. It is only a year ago that Parliament was called upon, just because this country had so much business to do in England, to pass an Act to provide for the appointment of a representative in London. This gentleman was selected, I presume, on account of his great ability, particularly in dealing with large financial and business matters. His salary was made very large, and it was understood and declared that his appointment was to render unnecessary those periodical visits of detachments of the Cabinet to the other side of the Atlantic. I think it is regretable that, the very first year after the appointment of this highly salaried official, three Ministers had to go over at large expense, and this plenipotentiary was, apparently, found to be of no use whatever. How much better off is the country for the appointment of that plenipotentiary last year? There is one other point in connection with this matter of the Syndicate and the summoning of Parliament, which, I think, has not been put altogether as it should be by the hon. knight who leads the Government. He takes the ground that the Government wish to give the fullest opportunity to discuss this question; and, as a reason why the terms of this contract have not been made known to the public, he says, as I understand it, that he thinks that that course would be disrespectful to Parliament. Now, I do not think the Government always show such respect for the feelings of Parliament. It seems to me that it was only last year, just on the eve of the meeting of Parliament, that the Government entered into contracts for the construction of the British Columbia sections of the Canadian Pacific Railway. It struck me at the time that it was showing a great want of respect for the feelings and wishes of Parliament. I presume that the hon. leader of the Government in this House is quite sincere in what he says; but I cannot feel the greatest confidence in the respect which the Government now assume to feel for the feelings of Parliament. This is a question of too much importance to be regulated by etiquette. This Pacific Railway, as every hon. gentleman who has spoken has said, is the most important subject with which this country has to deal. This undertaking has been a kind of millstone around our necks for the last eight years, and we are now proposing to finally dispose of it. It seems to me that it is a question on which, not Parliament alone, but the people, have a right to be fully informed, because, after all, Parliament is to be respected chiefly because it represents the people at large, and, separated from the people, Parliament has no particular title to any large share of respect. Now, it is perfectly clear that when a matter which is to affect the future of our people for a great many years has to be dealt with, the people ought to have an opportunity to exercise their intelligence and their reason in dealing with it; and, I think, that there is no excuse whatever for the Government's refusal to make known the terms of this agreement to the people as soon as the agreement was arrived at. If that had been done then the members of Parliament would have had time, before coming here, to think over the matter, and gather the opinions of their constituents and of the public at large on the subject, and be enabled to deal with the matter as it should be dealt with. We are now going to deal with this most important subject in a precipitate manner, and with the least possible time for reflection and discussion. There was one statement made by the hon. gentleman who moved the Address, and repeated by the leader of the Government, that there had been good harvests under the previous Administration, and prosperity did not follow; but I think that has been quite satisfactorily disposed of by the leader of the Opposition, who said that there happened in this present instance to be a failure of the harvest in Europe, combined with a good harvest here. I should like to ask, if the National Policy has had so much to do with our prosperity, how it was that during a portion of the Conservative Administration which began in 1867 and ended in 1873, the country enjoyed almost unexampled prosperity without a National Policy, and how was it that the gentleman who is now Finance Minister of this country, and who then occupied the same position, was able in 1873, in his Budget speech of that session, to indulge in anticipations which were even more glowing than those which he indulges in to-day? There are one or two paragraphs which I shall pass over for the present. We should all agree in thinking that it is well to have the boundaries of Manitoba extended a little further than they extend at present. His Excellency has told us that he has thought it well to issue a Royal Commission to examine and inquire into the whole question of the Civil Service. I am very glad, indeed, that the Government have undertaken to deal with this matter, and I cannot agree with the hon. gentlemen who think that the Government themselves should have acted as Commissioners. I think there is a great deal of force in the views expressed by the leader of the Government. I regret this fact, though, and I think all the members of this House who are anxious to see Civil Service reform will also, that whereas last session His Excellency told Parliament that a Bill for the improvement of the Civil Service would be laid before them that year, this session the Government do not put any such promise in His Excellency's mouth. They simply make him say that he believes that the report of the Commissioners will be ready at an early day, and asks us to consider their report. The paragraph does not indicate that there is to be any action on the part of the Government at all. But I think it must have struck some hon. gentlemen as being a remarkable omission that, while two paragraphs are devoted to this Civil Service Commission, nothing whatever is said of another Commission which, I think, has excited a great deal more interest in the country than the Civil Service Commission—that is, the Commission appointed to investigate the state of affairs in connection with the Pacific Railway. I think it is a remarkable and regretable circumstance that the Speech does not say anything about that. Possibly, the report of these Commissioners is not as pleasing a document to be read by the friends of the Government as the report of the Civil Service Commission. There is another omission in the Speech that strikes forcibly anyone who had read the Speech of last year, and that is, that whereas His Excellency then spoke of anticipating a very large immigration into this country, particularly into the North-West, nothing at all is said in the Speech which is now before us of the expected immigration having taken place. As far as I am able to learn from the means of information at my disposal, the Government have been unfortunate in their prophecies as to the immigration into the North-West. I only hope that their prophecies of success in other directions contained in the Speech of this session will not be as mistaken as their prophecy in relation to the immigration of last year. The last part of the Speech promises that several measures of importance will be submitted to us, and amongst others, one for the revision and consolidation of the laws relating to Government Railways. I think that the plan adopted by the Government last year and the year before with reference to amendments of existing laws is a very objectionable one. The Government propose to make, perhaps, half a dozen alterations in a Statute which covers forty pages, and instead of bringing down a short measure containing the alterations which they propose to make, and which everyone could understand at a glance, they bring down the whole Statute reprinted with the alterations inserted, and the consequence is that changes of some importance in that way escape the notice of Parliament. I think it would be very much better if the Government would simply give us the changes which they require to make, and when they come to consolidate the Statutes of the Dominion, which I hope they will do before long, then the different laws upon each subject can be consolidated. Now is the time for members of this House to assert their right to be heard in legislation. Last year we had the warmest friends of the Government, at the close of the session, protesting against the manner in which they were compelled to swallow very important measures without an opportunity of masticating or digesting them. I hope the House will assert their dignity this session, even at the risk of rejecting measures of consequence to the Government. In acting as they have done the last two years, the Government have been putting the very strongest argument into the mouths of those gentlemen throughout the country who think that our House is simply a useless piece of legislative furniture. I think it is the duty of every hon. gentleman to insist that, during this session, we shall have ample time to discuss all important measures. There are one or two paragraphs of the Speech which particularly affect the section of the country from which I come. Coming, as I do, from the city of Halifax, I do not feel that I would be justified if I allowed the paragraph in relation to the Intercolonial Railway to pass without a few remarks. It will be remembered that last year there was a great deal of discussion in this House, and in the other House, as to the economy of the Government in their management of the Intercolonial. I am pleased to be able to say that, I think—probably in some measure owing to the discussions which took place last year—the economy on that railroad this year has not been so great as during the year before, and consequently that road is in decidedly better condition than it was twelve months ago. I think that every gentleman who has travelled over the road will concur in this, and it is only fair to the Government to make that statement. I am always ready to find fault with them when I think they deserve it; and it is gratifying to see that they are sometimes willing to take a suggestion even from the members of the Opposition. That is true of the Intercolonial Railway; but, on the other hand, I regret to say that economy on the Prince Edward Island Railway has continued too long, and that the road has lately become unsafe to travel on. The probabilities are that during the coming year the Government will be compelled to adopt a less economical mode of managing that road also. There are one or two facts in connection with the Intercolonial Railway which, I think, deserve the attention of the House and of the Government. I know it is the opinion of business men in the Lower Provinces that the business of the Intercolonial Railway is not likely to increase. During the past three or four years the mail steamers coming out from England have landed almost the whole of the freight intended for the Upper Provinces at Halifax. At the beginning of the present winter that system was altered, and almost the whole of the freight which comes from Europe for the Upper Provinces is landed at Boston, instead of at our own port. The carriage of this freight was one of the most important sources of revenue to the Intercolonial Railway, and it has been almost completely withdrawn. Another fact which will operate against the future success of the Intercolonial is that a number of enterprising gentlemen in the Province of New Brunswick, combining with some gentlemen in the Upper Provinces, are about completing a railway which will lead directly from the City of St. John, up by the St. John River, and across to a point on the St. Lawrence, a short distance below Quebec, and this road, when completed, will undoubtedly intercept and take away a great deal of freight traffic of the Intercolonial. It does not seem to me that the Intercolonial Railway has fulfilled the purposes for which it was constructed. It was not expected, I think, at the time when the road was built, that it would do much more than pay its working expenses. It was not expected that the revenue and expenditure would be balanced at all, but it was expected that this road would be a very great commercial advantage to the Lower Provinces particularly, and to the Upper Provinces in a less degree. These expectations, however, have not been realized at all, and I think, under the circumstances, the Government can hardly ask us to congratulate them on having made the revenue and expenditure of this railway to almost balance. I am speaking in a rather decided tone on this matter; but in order to show that I am not speaking as a partizan, and that what I have said is not unreliable, I should wish to call attention to a few passages out of a number of speeches which were made the other day in the city of Halifax, at a meeting called to consider the question of the winter port, and I shall take care to quote only from the speeches of gentlemen who are at the same time prominent and energetic merchants and strong supporters of the present Administration. The first speech I shall quote from is that of Mr. W. J. Stairs, who is a strong supporter of the National Policy, and, at the present time, of the Government. He says, speaking to a resolution that the mail subsidy should be paid only to such a company as would make its terminal ports within the Dominion :—

> “ He (the P. M. General) might say that it must be an advantage to the mail contractor, to be open to use his steamers freely by going beyond the port of discharge. But the Minister of Railways may be supposed to meet the Postmaster-General's views by requiring the solution of the question by actual experiment. Sir Charles Tupper will argue that the country has a well-equipped railway of its own, under the management of which he has to show a good account, and that he cannot be a party to the subsidizing of mail steamer lines which do not, in the transport of goods for Canada, hold themselves as part and parcel of the Intercolonial line. He will contend that, provided the cost of transport over the railways of the Dominion under his charge is shown to be greater than over the railways of a foreign country, he is bound to demand the trade for his own lines. He can show that time of transport, as well as rate of carriage, is as favorable for Western bound goods, landed at the Canadian winter ports, as if landed at an American winter port. He can show that lessening the quantity of goods forwarded makes it more difficult for him to make a profitable use of the country's railroads. Increasing the quantity forwarded will enable him—if not to carry at lower rates, to carry with a better return of profit for the department under his care. And further, he can say it is his wish to foster and force an outward trade, which he cannot do unless he is well supported by the Government and country. The extra mail subsidy, if required, will it not be fairly met by the increased railway earning, which it is spent to secure? If money goes out of the pocket of the Postmaster-General, will it not be refunded to the Department of Railways?”

Mr. Bremner, another prominent Conservative, says that these are the things that the Government should do in order to make the railway what it ought to be:—

> “ 1st. A grain elevator, and every suitable accommodation, at Richmond, or, in other

words, that the equipment of the I.C.R. be completed.

"2nd. That any line of steamers subsidized by Government shall have its terminus at a Dominion port.

"3rd. That, for the purpose of making the I.C.R. available for the object for which it was built, the Government shall arrange freights with other railroad lines and steamboats, and grant through rates of freight on as favorable terms as by other routes, and that they shall employ sharp business men as freight agents at the principal grain depots of the West."

In other words, Mr. Bremner thinks that the Government should act as any Company owning a railway would act in order to secure business for their road. Further on, this gentleman adds:—

"Why should we pay over $126,000 per annum to a line of steamers to help to build up the cities of a foreign country? What would the Montreal people say if, during the summer months, the Allan line of steamers, instead of making Montreal its terminus, were to pass on to Ogdensburg, in the United States (if it were possible for such steamers to do so), and only call at Montreal for the mails on the way down the river? How long would that be tolerated? And yet this is exactly the way that Halifax is treated by the Allan steamers. If that line were obliged to make Halifax its terminus during the winter months (and, if they would not, there would be no difficulty in finding a line that would), with proper shipping facilities and arrangements, all the difficulties about the winter port would be ended."

Mr. Bremner concludes as follows:—

"Is it creditable to this Dominion that we are indebted to a foreign country for an outlet to the sea for our surplus products? Was it for this that we entered Confederation? Have we no national aspirations? He thought that we had higher aims, and were not content to remain commercially dependencies of the United States. The object which we aim at is also in strict accordance with the protective policy of the Government, and he thought in a few years, if attained, it would render the railway much more remunerative than it is at present. We also have lately had very plain evidence that, if the railway do not secure the down freight, it will not only not increase its up freight, but will lose a great portion of what it hitherto has had But, even if it did not pay directly, would not the indirect benefits to the country be large? Suppose that what we ask would necessitate greater outlay than returns. Suppose it should be found necessary to lower rates still more, do we ask for anything unreasonable? Do we grumble because the canals of the West are operated not on 'commercial principles' as regards tolls, but with a view to the development of the country? Have we objected to the millions now being spent on these canals without the slightest expectation of direct returns? With regard, also, to the expenditure on the Pacific Railway, how are we to derive *any* benefit from that expenditure, or from the road when built, unless by the operating of the I.C.R. in the manner which we are advocating? The I.C.R. is, or, rather, should be, our great national highway, and ought to be operated, not on 'commercial principles,' but in such a manner as will realize the great national purposes for which it was built. We have a right to expect this, and should be satisfied with nothing less."

Then I shall quote a few words from the speech of Mr. Thos. E. Kenny—son of the gentleman who was a member of the former Conservative Administration of Canada, and a member of this House—one of the most influential supporters of the present Government in the Lower Provinces. Mr. Kenny moved the following resolution:—

"*Whereas,* The Intercolonial Railway has not yet fulfilled the promise made previous to Confederation, that Halifax would by it be made the winter shipping port of the Dominion; and,

"*Whereas,* The necessary terminal facilities for making it so are still withheld;

"*Therefore be it Resolved,* That this meeting requests our representatives in the Dominion Parliament to urge upon the Government the necessity of at once erecting a grain elevator and completing such other terminal facilities as may be required at this port; and also of making such freight arrangements as will secure for the Intercolonial Railway a fair share of the carrying trade of this Dominion both to and from the Atlantic seaboard."

Referring to the resolution, after some preliminary remarks, he said:—

"One is reminded of that interesting period in the history of this country when, thirteen years ago, the people were discussing the great question of the union of the four Provinces of Ontario, Quebec, New Brunswick and Nova Scotia under one government, and when the advocates of that measure were wont to portray, in eloquent terms, the great advantages which a railway system passing through all those Provinces, and terminating at this port, would be, not alone to the city of Halifax, but also to the whole Province of Nova Scotia. Not only was the Intercolonial Railroad to be the great national highway, but, on the completion of it, we were led to believe that at certain seasons the exports of the Western Provinces would pass over it for shipment hence to Europe. He had listened with delight and enthusiasm to the enunciation of those ideas, and cheered them to the echo, and he felt assured that the gentleman who made these statements had at that time the implicit faith in them that he had; but he regretted now to have to say, in the words of our resolution, that as yet, those predictions have not been fulfilled, and cannot be, till the Intercolonial Railway has the same terminal facilities as every other railroad in America."

A little further on he adds:—

"Without grain elevators and other necessary terminal facilities we can never have an export trade, and for an example of this we have only to look to the neighboring port of Boston."

Mr. J. S. McLean, also a very prominent member of the Conservative party, spoke to the same resolution. Referring to the promises made at the time of Confederation, he said:—

"It was then supposed that Halifax was to hold the key to the trade of the whole Dominion. He had supported that scheme in such a hope because he believed it would be to the advantage of Halifax and himself in his business as well."

Somewhat later in his speech he used the following language:—

"We have been told by our Upper Province friends that we are asking too much—that we are in fact asking to have the food put in our mouths. This was not true. The Intercolonial was one of the terms of union, and the Intercolonial was not a finished road without a grain elevator at its terminal port (applause). In the case of Boston cited by Mr. Kenny, the elevators erected there had not been erected by the merchants of Boston, he believed, but by the railway companies that made Boston their terminus. The Government should do the same for Halifax, not only in our interest, but in their own as well. The Intercolonial was not a commercial, but a national undertaking. He was informed on good authority that this year it would show a surplus over expenses of $25,000. This should encourage the Government to go on and develop its trade, and there was no way they could better do that than in the way proposed. A line of steamers once established between Halifax and England, it would have any amount of feeders, and he believed any amount of freight. At present the Lower Provinces were practically without any proper facilities for export trade with Europe."

I know I have been a little tedious in my remarks, but this is a matter of very great moment to the Province and city from which I come. There were several other speeches made at the meeting to which I have referred, some of them by gentlemen whose political views are the same as my own; but I have quoted only from speeches of prominent Conservatives as they appear reported in the Conservative organ at Halifax. The language of the speakers as reported in the Liberal paper is still stronger. I do not propose to add anything to what those gentlemen have said in connection with this matter as it is one which they understand a great deal better than I do; but there is one other subject in connection with the railway to which I wish to call attention. Before doing so, I wish to remind the House, that in January, 1878, Sir John Macdonald wrote a letter, which I had the honor to quote to this House last year, in which he insisted that it was the duty of the Government to make Halifax the winter port of the Dominion, and if they did not do that they should be called to account for it by their constituents. Now, I do not suppose that the right hon. gentleman who leads the Government now, and who thought it was the duty of the Liberal Government to carry out this project, meant to confine that duty to a Liberal Government alone, or that he has changed his mind; and I hope he will take such steps as are necessary to carry out what he believes to be the duty of the Government. His expressions in this connection were more than endorsed by the present Minister of Railways, and, if they only do now what they then said it was the duty of the Government to do, we shall have what we want. Last year I called attention to the absence of traffic arrangements between the Intercolonial and North Shore Railways. Now I am happy to say that since that time arrangements have been made by which passengers can be ticketed through, but no arrangements have been made with reference to freight. I hope that before the next session's business begins Government will make some arrangements for the transfer of freight also. There has always been very great complaint in the Lower Provinces as to the delay and expense in getting freight down from the Upper Provinces, and *vice versa*. I have understood that this delay and expense have arisen in a great measure from the Grand Trunk Railway; and if the Government were able to use the North Shore Railway in connection with their own road, as well as the Grand Trunk, I have no doubt the delay and expense would be very greatly diminished. There is one other paragraph in the Speech, which I shall call attention to very briefly:—

"I have the gratification of informing you that Her Majesty's Government has generously presented to Canada, for training school purposes, the steam corvette *Charybdis*, lately returned from service in the Chinese seas, etc."

We have reason to be gratified at the presentation of this corvette to the Dominion; and the only question which suggests itself to my mind is, as to the location of the training ship. There was a rumor current some time ago, that this ship was to be located at St. John. Now, I do not wish to say a word against St. John, but I think that anyone who knows anything of the two harbors, of St. John and Halifax, will not hesitate for a moment in saying that the proper place for the training ship is in the harbor of Halifax.

Hon. Mr. CHAPAIS—Quebec.

Hon. Mr. POWER—I feel that I have trespassed at an almost unconscionable length on the time of the House; but I feel at the same time that I have done no more than my duty, and I regret that, owing to want of time and ability, my remarks have not been what the occasion called for.

Hon. Mr. MILLER—I rarely trouble the House on an occasion such as this—in fact, I do not remember that I have ever taken part in the debate on the Address in reply to the Speech from the Throne. Perhaps this is partly due to an excessive feeling of modesty on my part, but it is chiefly owing to my observance of the wholesome rule which prevails in the Imperial Parliament, which allows the mover and seconder to place the views they represent before either House, and confines, as a general rule, the remarks which are made on such occasions to the leader of the Opposition, and the leader of the Government in reply to him, and a few of the most prominent members of Parliament. I have always considered that pratice a wise one, and, therefore, I have seldom, if ever, ventured, myself, although not a young member of the House, to trespass at any great length on the patience of hon. gentlemen in debates on the Address. I think the English rule is a safe and salutary one, because, where a member ventures to travel outside of the topics of the Address, he takes the House by surprise, and places those who may not be ready to reply on the spur of the moment at a disadvantage. After the speech of the Senator from Halifax, I am not willing to follow my usual practice and remain silent on the motion before the Senate. I listened with infinite pleasure to the able and eloquent speeches of both of the hon. gentlemen—the mover and seconder of the Address—to-day, and can only reiterate the remarks which fell from the hon. the leader of the House that it would be presumption on my part, even more than on his, to pay a compliment to those gentlemen on the manner in which they discharged the duties devolving upon them. I can only say it was what might have been expected from gentlemen who have taken so prominent a part in public affairs for many years, and fully realized all that their great ability led us to expect from them. I listened also with pleasure to the able and moderate speech, from his standpoint, of the leader of the Opposition, and I felt that it was strongly in favor of the paragraphs in the Address, with one exception—its reference to the National Policy. The hon. gentleman could not but feel that the Government had presented to the House and country a bill of fare which was by no means meagre or unsatisfactory; a bill of fare which was very different from those dismal exhibitions which it was the misfortune of my hon. friend, year after year, to present to the House during the period he was on the Treasury benches. It is rarely a Government has it in its power to present so satisfactory a programme to Parliament as was presented to us yesterday by His Excellency, and I think they may congratulate themselves upon the proud position which they occupy to-day. His Excellency has adverted in terms of thankfulness to the bountiful harvest which has been vouchsafed to us by a kind Providence. He might have gone further and congratulated the country upon the fair success which has attended upon other branches of productive industry, such as the fisheries. It is satisfactory to know that this great industry, which is one of the chief sources of wealth in the Maritime Provinces, has been fairly remunerative during the present season, and the condition of our fishing population in the Lower Provinces is much superior to that which existed at this time last year. With regard to the National Policy which my hon. friend (Mr. Scott) has thought proper to discuss at such great length, I shall not trouble the House with many remarks at the present time, because I think a more suitable opportunity will be presented on other occasions to discuss it, but one thing I cannot help observing: my hon. friend denies so emphatically that the National Policy has done anything to promote the prevailing prosperity of the country. My hon. friend denies it, but the facts are before us to speak for themselves, and there is one thing which he cannot deny: that there is, at least, between the National Policy and the return of prosperity to the country a marvellous coincidence, a coincidence which cannot be altogether accounted for by the general improvement in trade and commerce on this continent. With regard to the main question, which has brought us here so early in the season, for my own part I should have greatly preferred, had the Government, in their wisdom seen proper to delay the session a little longer, but we must all admit that the important interests with which they had to deal—the most important which, perhaps, this country has ever had under its consideration—fully justified the extraordinary course which has been adopted. I think the House and the country will be perfectly satisfied with the full and fair explanation given by the hon. Postmaster General as to the reason why Parliament has been summoned so early. I believe the House, and the country too, will fully endorse the remarks of my hon. friend in regard to the propriety of first submitting the result of the important negotiations which have taken place during the recess to Parliament before giving them to the public. It has been said, if it was necessary for ministers to proceed to London to negotiate an agreement which has resulted in a contract with a Syndicate for the construction of the Pacific Railway, they must have accomplished that before they left London, and therefore that Parliament should have been called together on their return and the terms of the agreement given to the public at an earlier date. I think an answer has been afforded to that objection through the public press—that while the leading features of the agreement with the Syndicate may have been decided upon in England, still the details could not be definitely settled on the other side of the Atlantic, and until those details were agreed upon as they have been on this side of the water, it was impossible for the Government to have called Parliament together. Having arranged those details, they have done so as soon as possible. I have no doubt this explanation is correct, and the Government have, I believe, immediately after the final conclusion of the negotiations which have fixed all the details, immediately summoned Parliament for the consideration of the whole scheme. For my own part, I must say that I feel no ordinary degree of satisfaction that this negotiation has resulted successfully. From the time when, on the floor of this House, I gave my support to the union of British Columbia and the construction of the Pacific Railway, I have always considered that the method and manner in which this road should be built was that which has now been adopted. It was the expectation of those who at that time agreed to the terms of the union, and the construction of the Pacific Railway as one of these terms, that it was not to saddle the country with a debt of one hundred or one hundred and twenty millions, but that the responsibility of the Dominion was to be limited to a grant of money limited at thirty millions of dollars, and a grant of land fixed at fifty millions of acres. This was the understanding on which Parliament agreed to the union with British Columbia, and it was an understanding and arrangement that were perfectly within the resources and means of this country, and would have been, I have no doubt, faithfully adhered to, as it has now been gone back to by the present Administration, if these gentlemen had not been driven from power in 1873. After the change, the late Government inaugurated a new policy in contradiction to the sentiments of the leading men of the party who had placed on the records of the House of Commons a resolution, when these terms were before the Legislature, that this road should only be built with subsidies of land and money. The late Government departed altogether from their pledge made on that question, and seemingly were about to involve this country in a state of things which must ultimately have landed the Dominion in bankruptcy. It was fortunate that at a crisis in the history of this country the electorate stepped in and removed those gentlemen from power, and reinstated the right hon. gentleman who to-day so ably and wisely guides the destinies of this Dominion; and if he had done nothing more since his return to power than successfully to inaugurate this new scheme for the construction of the Pacific Railway and bring back Parliament and the Government again to the original project, which was at the foundation of the terms which he negotiated with British Columbia, he would well have earned the lasting gratitude of the people of Canada. I hope and feel confident from the ability and patriotism and the knowledge of the subject possessed by the able Ministers who represented us in London, and who afterwards represented us in the negotiations with the Syndicate on this side of the water, that when the terms of the agreement are submitted to Parliament, they will be such as will give not only satisfaction to both branches of the Legislature, but will send a thrill of joy from one end of this country to the other. With regard to some of the other questions in the Address, as I am on my feet, I desire to say a word or two. Some reference has been made to the Intercolonial Railway by one or two speakers, and I think it is a matter of sincere gratification not only to the members from the Maritime Provinces, but also to hon. gentlemen from every portion of the Dominion, that the Intercolonial Railroad occupies its present satisfactory position. Not only is the road admitted to be one of the finest on this continent, but it is also largely increasing its traffic, and under the able administration of the present Minister of Railways, is likely very shortly to cease to be a burden to the Dominion. This desirable end has been attained without any unwise economy in the running of the road, or keeping up the permanent way. Every hon. gentleman who has passed over it recently will admit that it is impossible to find—and I have travelled over a great many roads, not only on this continent but in Europe—a railway where passengers can travel with greater comfort and security, or a more substantial line than the Intercolonial Railway. That the rolling stock has not been allowed to go down, is evident from the fact that a larger business has been done, and is being done, on the road now than when it was a burden to the extent of seven or eight hundred thousand dollars a year to the country. Nothing is wanted to prove most conclusively that not only has the permanent way been kept in good repair, but that the rolling stock has been kept up, and is equal to all the calls of a very largely increasing traffic. With regard to the Civil Service, I am very happy to see that the Government is about to take some steps in the direction of reform. I think it is one of the most important questions which can engage the attention of Parliament. If we want an example of the evil effects of making the Civil Service a means of bestowing patronage, as I am sorry to say, our system so largely is, we have only to look to the United States for a very striking illustration. I read with very much interest the forcible language of the President of that country on this question in his last message, in which he forcibly urges Congress to the task of Civil Service reform, to the introduction of the system which prevails in Great Britain of competitive examinations, the system of basing the appointments of office and promotions in office on qualification and merit. We shall never have an efficient Civil Service until that is the case, and I shall rejoice to see the patronage of the country taken out of the hands of members of Parliament, where it now practically is, and left where it ought to be, in the hands of the Executive, whose proper function it is to make all appointments to office on a well defined basis of merit and qualification—not through political influence or any other or improper cause. I must now say a few words in reply to the remarks of the hon. Senator from Halifax, and as it is so near six o'clock, I am sorry I cannot reply to him as I would wish. I was not astonished, in some respects, at the tone of that hon. member's speech. I was sorry, however, that it was of so very sectional a character. I am sorry to be compelled to add it was worse than sectional. The hon. gentleman went so far as to say that Nova Scotia had not realized from the Union the advantages that was expected from it, and that to-day in the Maritime Provinces, if a vote were taken on the question of repeal, four-fifths of the people would be in favor of it. A more unwarranted and unfounded statement was never made on the floor of this House. That the extreme visions of prosperity which many may have pictured to themselves as likely to result from Confederation--the unreasonable expectations, perhaps, in some respects of the over-sanguine friends of that measure—have not been realized, may be true, but that the Maritime Provinces, in common with the rest of the Dominion, have derived great advantage from the Confederation of these Provinces, no candid man with a knowledge of the facts would venture to deny. Whatever may be the condition of Nova Scotia to-day, I venture to say, and I utter not my own opinions alone, but the opinions of many who have given consideration to the question—disinterested men, men outside of the arena of politics who have no interest in saying anything that they do not believe, and are qualified to express an opinion—if it had not been for confederation Nova Scotia would not have to-day half its present population. It is true that a large number of our people go to the United States, but I know that it is equally true, though the fact is not heralded abroad by the enemies of our country (and very often those enemies are unpatriotic children of our soil) that many, many thousands of those people return wiser and sadder men. I know in the part of the country from which I come, and from which there has been a considerable exodus daily this autumn, scores of people have come back from the United States, begging their way home in many instances, and relating piciful tales of the destitution and sufferings of those they have left behind them and who have not been fortunate enough to get the opportunity to return to their homes. The hon. gentleman's expression of opinion was not worthy of a member having a seat on the floor of this House, however little we may be surprised to find it amongst a lot of disappointed traders in the city of Halifax, whose monopoly of the trade of that province has been broken up by Confederation. But it is an opinion also which has been expressed by the party in Nova Scotia to which the hon gentleman belongs not when they are in office, but when they are out of office. When they were in office for five years, and had control of the patronage of the country, they were the most loyal men in the Dominion; now that this faction are in the cold shades of Opposition, now that they have not their hands in the public chest, now that there is no plunder to be drawn from the public treasury, they are ready to utter annexation sentiments, disloyal, repeal sentiments, or anything to suit the whim of the hour. When they were in office, and had complete control of the patronage of the local and Dominion governments, they were, I repeat, in appearance at least, loyal enough, but now that they have no prospect of grasping the reins of power for the next twenty years, they are ready to talk repeal. In relation to the port of Halifax as a winter port, I was rather amused at the remarks of my hon. friend (Mr. Power), and then he was pathetic on the injustice of placing the training ship at St. John! I think there is no injustice in doing so. I think St. John has a better claim to the training ship than Halifax, and I will tell you why. St. John possesses a much larger amount of shipping than Halifax, and I must say, not as a compliment to St. John, but as a truth wrung from me with regret, St. John possesses twice the enterprise and energy of Halifax. When anything is started with reference to Halifax, the first question the merchants there ask you is, "what will the Government do?" Why, there are a great many merchants and people who believe that the Government have nothing to do but to consider how they can squander the money of the Dominion for the benefit of Halifax, and the more you do for them, the less grateful they are, and the more you educate them into that belief. There is not in this Dominion a harbor or city that has had more done for it, and has done less for itself, than Halifax. There is not a place on this continent that has greater advantages and finer facilities for trade and commerce than Halifax, and still places like Montreal and St. John, without its natural advantages, go ahead of it and take its trade and throw it into the shade. The merchants of Halifax do nothing for their city—nothing to turn its fine advantages to account, but think the Government must do everything for them. More than that, they think Halifax is all Nova Scotia. No odds how the province at large feels or fares, they think Halifax is everything, and their selfish spirit is well illustrated to-night by the demand which is made to have the training ship established there. That city has got more benefit from the expenditure of twenty-two millions of dollars on the Intercolonial Railway than any other city in Canada.

Hon. Mr. POWER—Not at all.

Hon. Mr. MILLER (continued)—And if you expended twenty-two millions more on it, they would not be satisfied; they would not think you discharged your obligation to them; whereas I think the Dominion has discharged its duty fully to Halifax. The Government has honestly endeavored to discharge its duty to every part of the country, and especially to Halifax. The hon. Senator (Mr. Power) has read extracts from the speeches made by Halifax merchants at a meeting recently held in that city. Of course, the Halifax merchants would be delighted to get what they want, Conservative and Radical. They are all alike on that point; they are all tarred with the same stick; they all think that the Government should do everything for them and neglect every other part of Nova Scotia. But, why were not these extreme pretentions of the city of Halifax put forward when the hon. gentleman's friends were in power. The present Government have done more for Halifax than the late Government did.

Hon. Mr. POWER—Not at all.

Hon. Mr. MILLER—I beg the hon. gentleman's pardon. He knows that they did. He knows that this Government have offered to purchase and ship two cargoes of grain over the Intercolonial Railway at a very low rate, as an experiment to test the feasibility of making Halifax a grain-shipping port. They offered not only to ship it at 5 cts. lower, and over the Riviere-du-Loup extension besides, than the late Administration did, and they have offered, as I have said, to buy the grain themselves, an experiment which ought to be tested and made by the people of Halifax themselves. Besides, this Government has largely increased the railway shipping facilities of Halifax. As a specimen also of the want of candour with which these claims of Halifax are attempted to be urged against the Government—a Government which has done all that it could reasonably be asked to do towards making Halifax the winter port of Canada—the hon. gentleman lately wrote a letter to a public meeting at Halifax, insisting that the Government should give a graving dock to Halifax, contending that Halifax had as much right to one as Quebec or Esquimalt. The inference which the hon. gentleman desired the public to draw was that this Government was building a graving dock at Quebec and one in British Columbia under the usual conditions of public expenditure. The hon. gentleman ought to know, and he does know—he is too intelligent not to know—that the British Columbia graving dock was part of the agreement on which that Province entered the Union, and Parliament pledged itself to the construction of the dock there. Then, again, with reference to the graving dock at Quebec, Halifax could get one on the same terms to-morrow if they would do the same as Quebec has done. It is paid for by Quebec, and not by the Government. Such statements leave an impression upon the public mind which is not warranted by the facts, which a man occupying a high public position should be careful not to create. So far as the just claims of Halifax are concerned, I shall be as ready to support them as the hon. member for Halifax, whose manner and style of advocating the claims of his city are better calculated to arouse the hostility of the whole Dominion against Halifax than to serve its interests. But when anything unreasonable is attempted to be forced upon Parliament by Halifax, or any other place, I shall, without regard to sectional considerations, give it my opposition. The question of the winter port is one that has been settled. This Government has absolutely made Halifax a winter port, and if the Allans' steamers will take freight past Halifax, how can the Government prevent it. Suppose to-morrow you refused to allow the vessel which lands the mails at Halifax to carry freight to Boston, will not other vessels do that work? How can the Government prevent that? It is utterly unreasonable; but there is something more than patriotism at the bottom of these absurd claims. Half those gentlemen who are advocating this winter port question in Halifax are, I admit, sincere, however unreasonable they may be, but the rest are not. They are making use of it as a means of sapping the strength and influence of the Government in Halifax, and they would sooner the Government would not do anything so they should have a grievance to use as a political engine against the Conservative party. I think the greatest grief that could come over some of those gentlemen, including the Senator from Halifax, would be in case that their claims should be met and all their expectations realized. I do hope, and I feel confident, that this Government and the able men that Nova Scotia possesses in it—for we have the good fortune to be represented in the Cabinet by two gentlemen, perhaps second to none in ability, and I am certain the people of Nova Scotia consider them to be second to none in Canada in zeal and patriotism—will obtain anything that can be fairly got for Halifax; any claim which can be honestly and reasonably urged in favour of Nova Scotia will be advocated by them with a zeal and ability and perseverance that will insure success. I say, therefore, that Nova Scotia has nothing to fear in regard to its interests, and I believe the sound sense of the people of that Province will, after all, enable the electors to see through the dishonest means by which men who are deserving of the confidence of the country, and who are ready on all occasions to sacrifice their personal interests (as these two Ministers have done as much as any public men in Canada)—I believe the sound sense of Nova Scotia when the opportunity offers, will lead the people to do as they did last election—return these gentlemen with a larger proportionate majority than any Minister had in any part of the Dominion, except, perhaps, Quebec.

At six o'clock the Speaker left the chair.

AFTER RECESS.

Hon. Mr. BELLEROSE—I do not know that I have any observations to offer to this honorable House on the resolutions which are now before us, for the very good reason that I do not see that there is anything in them which would prevent any member of this House from giving them his support. But I may, while I am on my feet, offer my congratulations to the Government for the step they have taken concerning the Pacific Railway question. I may say that in years past when I was thinking over this great scheme, I always doubted whether this young Dominion of ours could entertain such a project with any prospect of bringing it to completion. Therefore, I feel that the Government of the day have acted wisely and patriotically when they decided to put this great undertaking into the hands of a company, and although we do not know what arrangements the Government have made with the company which is now being formed to carry on the work, and, I may add, that even though those arrangements may be found later of such a nature that the representatives of the people could not consider it in the interests of the Dominion to accept them, yet, even then, I say that the Government would still deserve the gratitude of the people of this country in general, and of the members of this hon. House in particular; and I for one do not hesitate to offer them my congratulations for so much as is now known to us on this subject. But while I am ready to endorse their policy so far as it has been made known by the gracious speech of His Excellency the Governor-General at the opening of this session, I regret that I consider it my pressing duty to complain of the position assigned to the Province of Quebec in the reconstruction of the Government. For the past two years I have often thought over the exception which in the name of that Province some of the hon. members of this House took during the session of 1878 to the formation of the present Administration, and the more I have thought of it the more I have felt that a great mistake had been made, and that we had been in the right in not allowing the offence to pass without protest. Indeed, how could I understand how it is that the gallant knight who is at the head of the Government should have failed to recollect what he personally and politically owes to the Province of Quebec, and how it could have happened that such a gentleman as the hon. Postmaster-General is, could have forgotten the debt of gratitude which he owes to her also! Had it not been but for the steady support those hon. gentlemen have received from that Province whilst they were for thirty years past in a minority, greater or less, in Upper Canada, would these gentlemen occupy their present position, would they ever have had conferred upon them by Her Majesty those titles which were not even given to others who had been their colleagues, and to whose fidelity they are indebted for having been considered worthy of such honors? How could I imagine, that after my native Province had done so much for those gentlemen, it would be so ill-treated by them, whenever they thought that, having gained a majority in Ontario and other Provinces, they could dispense with Quebec, and care no more for her. I know that under ordinary circumstances one ought not to recall the services which he may have rendered to a friend, but after the example given by the hon. leader of this Senate during last session, when that hon. gentleman so bitterly reproached the hon. Senator from Woodstock, (Mr. Alexander), for his attacks upon his leader who had done so much for him in the past, can I not be permitted to remind the hon. Premier, and the hon. leader of the Government in this House of the devotion and the fidelity of my Province towards them in the past, and reproach them with their conduct now towards her since they assumed office in 1878.

Hon. Mr. DICKEY—I wish to call the attention of the hon. gentleman to the fact that he is out of order in his remarks. We have had nothing sectional in the speeches delivered to-day, and I think the hon. gentleman is taking an improper advantage of his position in bringing into debate on these resolutions, matter that does not properly belong to them, and making an attack on a member of the Government, in this House, on a matter that is not before us. I certainly do not wish to stop any discussion at the proper time, but on the present occasion I apprehend it is out of order.

Hon. Mr. BELLEROSE—I certainly shall not impute motives to the hon. gentleman, but if last session he had called the hon. leader of this House, Sir Alex. Campbell), to order when he was making a similar speech, only that it was personal between the hon. Minister and the hon. Senator from Woodstock, (while my remarks to-day are of public interest), I could then by no means impute motives to the hon. member, (Mr. Dickey); but on this occasion I might fairly do so, though I repeat I shall not, but will be satisfied with telling him that his conduct in those two instances seems to be inconsistent. If this point of order were well taken, I might answer that as he did not raise it on the former occasion, and there was no ruling by Mr. Speaker, I hoped I should have been allowed to-day to follow the example of my leader. But, hon. gentlemen, such is not the case. The point of order raised by the hon. gentleman is not serious. The hon. Senator is too good a constitutional lawyer not to know that during the discussion on the Address a very great scope is given, and that almost any political question can be brought into the discussion, and especially that of the formation or the reconstruction of the Government of the day. No doubt the hon. gentleman thought that, as I am not a lawyer, he could easily put me down, and reserve the whole time for other questions, perhaps even to bring up the case of Nova Scotia; but let me tell him that I am not to be put down so easily.

Hon. Mr. DICKEY—Although a considerable degree of latitude is allowed in speeches on the Address, I wish to remind the hon. gentleman that he has committed another breach of order in alluding to what occurred in a previous debate. But with regard to that I certainly recollect that I tried on that occasion to interfere by calling the hon.

gentlemen to order, and so far from throwing this taunt across the House, he ought to have given me credit for having taken the course I did in the interests of the Senate. I make the objection to the line of argument that the hon. gentleman has chosen to take, and I leave the House to deal with it.

Hon. Mr. BELLEROSE—I am most surprised to hear an hon. gentleman from Nova Scotia taking exception to the course I am pursuing when he knows very well that for the thirteen years we have been united, we have had more complaints of ill-treatment from Nova Scotia than from the rest of the Dominion, yet the Province of Quebec is expected to submit to ill-treatment and not raise her voice in protest. We had to give Nova Scotia ten millions to buy her *en bloc* after the Union. Could that have been done if Quebec had done what the hon. Senator is doing now, if Quebec had refused to listen to Nova Scotia's complaints? And yet Quebec is to be put down if a voice is raised in protest at the treatment she receives Do hon. gentlemen believe that I am here as a representative of Quebec to submit to injustice? No. I will discharge my duty both to my Province and to every part of the Dominion so long as I have a seat in the Parliament of Canada, whatever the consequences may be to me personnally. I am more anxious to fulfil my duties as a public man than to procure situations for myself or my family. Even a position in the Government, I care little about if I do not obtain it on my own merits, or if I have to cease to vindicate the rights of the people. We have been sitting here for thirteen years, not only hearing but subscribing to the complaints of the smaller provinces, and helping them with that majority without which the Union could not have been continued, because Nova Scotia would have been in rebellion, and is it because the Province of Quebec has brought peace and harmony to the Dominion that the representatives of that province are now to be told that their turn has not come yet; that they will have to suffer but that they dare not speak? Hon. gentlemen, I am not the man to submit to such treatment as that! I do not want to be called a disturber, but when the proper time comes, I believe it my duty to submit our complaints to the representatives of the people and ask for redress. I go back two years to the time I stood up in this Senate and reproached the then new Administration of the day for failing in their duty towards the Province of Quebec, and to those complaints what was the answer given by the hon. leader of the Government in this House? In reply to my charges he said, "Unfortunately I was not consulted because I was confined to bed," meaning, if this expression means anything, that if he had not been overruled he would have tried to do justice to Quebec. That was his answer, and if that was his answer, was I not honestly bound to believe that that hon. gentleman understood himself that Quebec had not received what she was entitled to? But the hon. gentleman said more. He added, in a few words, that he understood we had some right to complain. If we had the right to complain at that time certainly any honest man is bound to admit that stronger reasons for complaint exist today. I know very well that in the administration of the Government circumstances often force the Prime Minister to do things which he would rather see done otherwise. I know there are political necessities, and in 1878, when I heard the words of the hon. leader of the House (Sir A. Campbell) I felt bound to accept his excuse, and submit to *les faits accomplis*. and felt confident that our case would be dealt with on the first occasion. But what has occurred? Some few days ago there was a reconstruction of the Cabinet, but the French population of the Dominion has not received justice, and no French Senator has yet been made a Minister of the Crown. The same intrigues which prevented justice being done to the French Senators in 1878, has succeeded in defeating it again in 1880. I have already had occasion to call the attention of the House to these intrigues. They were begun, as I have already stated, in Montreal, continued in New York, again in Montreal, then in Quebec, and came to an end in Montreal, at the Windsor Hotel, in October, 1878, where, no doubt, wine and brandy were plenty. I would even report some of the arguments used by those gentlemen, some of whom have already brought ruin on our Province, but this would be of no use now. Is our Province to be ruled by intriguers and jobbers? How long will it be said that the Premier acts upon the suggestions of those men? For my part, I cannot submit to such a state of things. We, the representatives of the Province of Quebec, have submitted to all as we have submitted on many other occasions to avoid disturbing that peace and harmony which is so desirable to the good working of our institutions. Indeed, we have shown so much compliance that we have even been called a "flock of sheep," but if there is a time to comply, there is also a time to refuse to submit silently, and that is why the representatives of Quebec in this Senate protested in 1878 against the injustice done to them and to the whole population throughout the Dominion speaking the French language. During the session of 1879 a similar protest was made by the very same gentlemen. This year the resignations of the Hon. Messrs. Masson and Baby took place and the difficulty might then have been easily settled. A Senator speaking the French language might have been chosen and justice might readily have been done to the French population of the Dominion and to the French-speaking members of the Senate; but our intriguers set to work, and there is a rumor in Montreal and elsewhere that those two seats had been promised long ago to two hon. gentlemen, one from the city of Quebec, who is now the hon. Minister of Militia, and the other to a gentleman who holds a high position in the Province of Quebec, but that this latter gentlemen, for reasons beyond his control had to decline, and continue to hold his post. Thus, there was a vacancy in the Cabinet which had to be filled up before the meeting of Parliament. The opportunity was a favorable one to settle this difficulty, if this rumor is true. It is stated inside and outside of these buildings that Sir John Macdonald had shown his objection to the members for Bagot and Laval (Messrs. Mousseau and Ouimet), since they had taken upon themselves to bring before the Commons a certain motion which was carried, and had resulted in the dismissal of Lieutenant Governor Letellier, but rather than have justice done to the French speaking members of the Senate, Sir John Macdonald called Mr. Mousseau to fill up the vacancy in the Government. Mr. Mousseau is a personal friend of mine, and certainly I have no personal objection to his entry into the Government, but under the circumstances Mr. Mousseau has shown a lack of patriotism, and that he cares more for honors than for the rights of his Province. I have always felt that when a man is invited to enter an administration it is his duty to see whether he can consistently with his principles, assume the responsibility of its policy and honorably take a seat on the Treasury Benches with men who may differ from him. But not only is Mr. Mousseau responsible for the act of Sir John Macdonald, who seems to care very little for the Province which supported him so well, but the leader of this House is equally responsible. As the leader of the Senate he may be considered as the assistant of the Prime Minister. It was his right and duty to state to the Premier "if you wish me to conduct the affairs of the Senate give me what I consider the Senate has a right to. If you do not, I cannot claim the support of the men who are denied their rights, and consequently I cannot accept the leadership of that important body." I challenge any man to deny that such was the duty of the leader of this House. As I have shown, the hon. gentleman, two years ago, stated his views on this question, and I ask this House what confidence the members from Quebec can have in a leader who, when an opportunity occurs in the reconstruction of the Government to give them their fair representation, has failed to do so! Only those who are ready, as we say in French, "to bow to the rising sun," will hesitate to reproach the Government for this act of injustice which they perpetrated during the recess. For my part, I consider that I would be untrue to my Province if I were to sit here from day to day and draw my indemnity without discharging this the first duty which is incumbent upon me as a representative of that Province, which is suffering from the ill will of the Government. I know it is said that I am very decided in my opinions. I reply that I adhere to my opinions until convinced by logical arguments that I am wrong, and on this very question if an argument can be used to show me that the rights of Quebec are not trampled on, I am ready to give way. I have submitted my case to the House and I challenge the Government to advance a logical argument against it. If to-day some Senator from Quebec should ask a question in the French language, and the hon. Postmaster-General, who understands a little French, should be out, how would the hon. Minister of Inland Revenue meet the emergency? He would have to request the Senator to wait a moment until he could find an interpreter. But even when the hon. Postmaster-General (Hon. Alex. Campbell) is in the House, how does he deal with a question put to the Government by an hon. Senator who cannot speak English? What was his answer to the question put by the hon. Senator for Sorel (a French Senator)? "I am sorry," replied the hon. Postmaster-General, "that I cannot give my answer in his own language, &c."—and the answer was given in English, and the hon. Senator from Sorel had to look out for some of his colleagues who understood both languages, and give him a translation of the answer of the Government. Is that the position in which we should be placed by the very men we have so long supported, while the Liberal Administration of Mr. Mackenzie, whom our province has always opposed, gave us on the Treasury benches of the Senate a Minister of French origin? And is that giving a fair interpretation to the 133rd clause of the British North America Act? It would be an absurdity. If that clause signifies anything it means that we are free to debate in either language, and therefore the Government must necessarily be represented in this House by a member who can speak the French language. That it is so, is proved by the interpretation given to it by the very men who framed that clause. And who are those who should interpret it? Sir John Macdonald, the Postmaster-General, the Minister of Inland Revenue, Mr. Chapais, and some members in the other House. And how did they interpret it? In 1867 when the first Government of the Dominion was formed, five of its members were taken from Ontario, four from Quebec (three French and one English), and four from the Maritime Provinces, and to-day we have seven ministers from Ontario alone, against seven for the whole of the other Provinces. Of those thirteen ministers in 1867, no less than five occupied seats in this House, but since the death of Sir George Cartier, the man who stood by Quebec at all times, and who sometimes disturbed the serenity of the present Premier, three of those benches have been occupied by Senators who are not ministers, but at all times one of the ministers, whether they were two, four or five, one of them was a French speaking minister. I have often complained of those changes before, and I have often asked the representatives of Quebec to vindicate the rights of their Province, and not only them, but members from the Maritime Provinces also. If we admit such an interpretation of the 133rd clause what will be the consequence? Who can say if this be admitted that Sir John Macdonald or Mr. Mackenzie, or any other party leader in forming a Government, will not take the thirteen Ministers from Ontario, or twelve from that Province and one from some other province? Suppose such a thing should be done, and I, as a representative of the people, should complain of it, could they not reply: "You acquiesced in this interpretation of the 133rd clause in 1879 and 1880." Who can say, if that interpretation be assented to, that the Premier will not select the four Ministers from Quebec from amongst the English-speaking members of the House of Commons? If I did not raise my voice, as I do now, to protest against such an interpretation, he might well reply, "You sanctioned this in 1879 and 1880." In 1867, the framers of the constitution interpreted the 133rd clause by the arrangements which were then made, and to those arrangements I will stick. My principles have always been Conservative, and I have never been a follower of this or that man. If, then, the leaders of the Conservative party depart from sound Conservative principles, I am bound to refuse them my support. If they set aside the constitution, and trample upon the rights of my Province

I cannot support them. The Province of Quebec has been so long ill-treated that her people may not resent this deprivation of her rights, but whether they understand what is due to them or not I shall take a stand here which I know is for their good, because I hold now as I held when I was their representative by election, that having been placed at the head I am bound to act in the best interests of the Province I represent. Why, hon. gentlemen, all means were tried to break down this little party who have been vindicating the rights of Quebec, if rumor is true. Any gentleman who passed through Montreal last summer must have heard of new intrigues. I challenge any one to deny that there has been, and that there is still to-day, such a rumor amongst a class of gentlemen in Montreal, (I do not say it is current throughout the city, but among a certain class,) that the Government had one of their friends offer a high position to a member of this House who strongly advocates the rights of the Province of Quebec, as I am now doing.

Hon. Sir ALEX. CAMPBELL—I have been listening with great attention to what the hon. gentleman says, and I say distinctly that, so far as I know, and so far as the Government is aware, no such suggestion has been made to anybody.

Hon. Mr. BELLEROSE—I may tell the hon gentleman that my authority is a pretty good one. I hope it is not so. If the hon. gentleman will state that it is not true, I must accept his denial, but I must tell him that many things are done which every one of the ministers does not know. Sometimes friends of the Government do things of this kind on an indirect suggestion of some of the members of the Government.

Hon. Sir ALEX. CAMPBELL—I never heard any such thing; I do not think such an offer would be made without my knowledge. I never heard of it, and I do not believe it.

Hon. Mr. BELLEROSE—I have no doubt, knowing the hon. gentleman as I have known him for sixteen years, that he would not do such a thing, and consequently he may not know it, and may not have heard of it, and yet, for all that, it may be so. There is still no proof to the contrary. At all events, whether true or not, I did not state it positively. I merely said that such a rumor was in circulation in Montreal, among persons who are usually well informed. Another rumor in Montreal is this: that a prominent gentleman in the Province of Quebec had a *quasi* promise since 1878 that he would be given a position in the Government of Canada on the first occasion, but who, as explained before, though desirous of accepting it this year, could not. So the seat was given to another gentleman, but with the condition that the seat should be vacated at any time. Mr. Mousseau then became President of the Council until another seat in the Cabinet becomes vacant. He will then assume a more important department, which will lead him to another situation outside the Cabinet, and so give way to the hon. gentleman who is now a *locum tenens*. That is the rumor, and in the course of time we will see what foundation there is for it. Being a public man, I had to weigh these matters in the balance of justice, and to take everything into account—the party, with all its intrigues, its family compact, and its jobbers on one side, and on the other the Province of Quebec, with all its good works in the past for the party, and with all the injustice she has suffered, and see on what side the balance of good or evil might go. What did I find? That Quebec had done more than her share; that the other provinces had received more than they had a right to, and that Quebec should get at least what she is entitled to under the great compact of 1867. I ask for nothing but justice for her. When Nova Scotia demanded better terms, did we from Quebec reply: "No; Nova Scotia has received what the compact gives her, and she shall have no more?" No; on the contrary, while the majority from Ontario declined to entertain the request, Quebec said "We will examine your Nova Scotia case"; and we found on examination that her claim had some foundation, and Quebec said whatever the compact might be, and though the result might be to increase the taxes on our own people, we would help Nova Scotia; and yet a representative of Quebec is grudged a few minutes to lay his complaint before the House to ask justice at the hands of those from whom she should expect it! Quebec, in the future, as in the past, will always be ready to do justice to any province of the Dominion which complains of injustice; I only hope that the same spirit will be displayed by the other provinces in dealing with Quebec. We do not ask for better terms; we do not ask for millions of dollars or anything more than was allowed to her under Confederation. We ask simply to be placed on the same footing as the other provinces in this Chamber. Quebec was the first province to vote the resolutions on which the British North America Act was founded. To some of them she had objections, but when it was explained that the compact was in the nature of a treaty and could not be amended, she accepted the resolutions as a whole. Let us not now have reason to regret the confidence which we then displayed in our statesmen. I have again to apologize for having spoken at such length, and perhaps in an enthusiastic manner, upon this subject, but I cannot help remembering the scenes which occurred of late years when Nova Scotia and New Brunswick had complaints to lay before us. There was then something more than enthusiasm and natural excitement which one would show in speaking on such subjects. I may therefore fairly claim to be excused, especially when I have established the fact that in making this demand I have been asking nothing but justice for over a million of Her Majesty's loyal subjects.

Hon. Mr. DE BOUCHERVILLE—It may be that I have misunderstood the hon. gentleman who has just sat down, but if not, he has spoken in the name, as he says, of the Senators from Lower Canada.

Hon. Mr. BELLEROSE—I did not think that. I said no doubt there were some, and I know that there are one or two, for whom I do not speak.

Hon. Mr. DEBOUCHERVILLE—I am very glad that I was mistaken on that point, but still, since I am on my feet, I take occasion to say that I differ from the hon. member in the strictures which he has thought fit to make upon the hon. leader of this House. For my own part, although I will admit that I think it would have been better for the Province of Quebec if we had a Minister from that Province in this House, still I do not think it is essential; and if there was a fault to be found, certainly it ought not to be laid upon the leader of this House. Certainly there should be found some other member of the Government in whose hands the interests of Quebec are placed, and I take this opportunity to protest against what the hon. member has stated with reference to the hon. leader of this House.

Hon. Sir ALEX. CAMPBELL—If nobody else desires to speak, I wish to say a few words in reply to the remarks of my hon. friend, the member for De Lanaudiere. There is no one who places a higher value upon the support of the French Canadian members of this House than I do; and there is no one, I think, who has evinced the feeling more constantly through the whole of his public career than myself. My early years were passed in Lower Canada; all my early associations and memories are there. I know the people of that Province well, and my sympathies have always been much with them. I have the greatest respect for them, and love their country and its people, and, therefore, I think I can say that amongst the English-speaking members of this House no one has a greater sympathy with them, or a more thorough desire to do that which is most convenient and agreeable to their feelings, than I do; and I think I have always shown this disposition. With reference to his general position, it is somewhat difficult to follow my hon. friend, although I understand him in a way that many hon. gentlemen in this House do not, because he has referred to the history of the two parties anterior to the Union, which is not a subject, I am sure, agreeable to the ears of a great many of the members of this House, who have nothing to do with the disputes which existed in Canada before Confederation, and to whose minds it must be as uninteresting as it would be to us from old Canada to hear of the disputes which occurred in Nova Scotia, New Brunswick, or any other province of the Dominion; but the allusion is made with this object, (and I admit, so far as I am concerned, and so far as the leader of the Government is concerned, it is a just reference,) it is made in order to show that in past years in the history of old Canada the Conservative party of the Province of Upper Canada were very greatly indebted to the support of the Conservatives of Lower Canada, and undoubtedly that was the case for very many years. For a long time in the history of old Canada the Conservatives in Upper Canada were in a minority, and they were enabled to maintain their position in the Government by the support of the Conservatives of Lower Canada. That was the position of parties. Undoubtedly it was an argument which was ready to my hon. friend's hand, and which it was quite open to him to use in order to show the extent of the debt of gratitude which Sir John Macdonald and myself, at all events, and perhaps some other members of the Administration,— although I think not—owed to the Conservatives of Quebec. I quite admit that, nor do I at all object to the reference which my hon. friend made to myself, or to his right to criticize my conduct. I do not at all object to his stating that it was the duty of the leader of the House to assert whatever might be due to this House in any re-arrangement of the Government, and I believe it to be quite possible that a time might arise when some successor of mine might be obliged to resort to the last measure to which he could resort in order to enforce what he considered the rights of this House in the formation of the Government. I quite concede this, and the hon. gentleman had the right to make the allusion which he did make, and I admit that circumstances might arise which would make it the duty of the leader of this House to resort to the step to which I have pointed. Now, the complaint which my hon. friend makes is of injustice to the Province of Quebec. I make bold to say that there never was a complaint made with less foundation. He speaks of it as an injustice to the Province of Quebec, but I rather apprehend what he means is injustice to certain members of the Province of Quebec who sit in this House. Quebec has had every justice. From the time of the Union, Quebec has been represented by four members in the Government. That was the full extent of the representation in the Government to which the province was entitled, and which was settled at Confederation. There is no pretence that that has not been the case. According to the population of Quebec, it was reasonable that three of those members should be French and one English. That has been the rule; it was adopted and practised by Sir George Cartier and has obtained ever since the Union. There is no pretence that it has been departed from, and, in addition, look for a moment at the offices which representatives from Quebec have held, irrespective of these positions in the Government. You will find that, for two Parliaments, the chair which you, Sir, occupy was held by a French Canadian—by Mr. Chauveau and by Mr. Cauchon. Quebec has in the other branch of the Legislature at this moment, Mr. Blanchet, who fills the position of Speaker—all these gentlemen, who occupied creditably the positions they were called upon to fill; and I only allude to their holding those positions for the purpose of the argument which it enables me to use, that the Province of Quebec has no reason to say injustice has been done to it.

Hon. Mr. BELLEROSE—The hon. gentleman is fully aware of the difficulty I had in speaking, because I had to think in French and translate it, and try and find out the words and speak at once without occupying the time of the House too long. But I suppose the hon. gentleman understands that, when I speak of the Province of Quebec, I should rather say the French population of the Dominion, because I only speak of Quebec as being a French province. It is the French population of the Dominion, which is spread throughout the whole country, and forms one-fifth or one-sixth of the population in New Brunswick, and one-fifth or one-sixth of the population of Nova Scotia, and two-thirds of the population of Quebec.

Hon. Sir ALEX. CAMPBELL—I can make allowance for the difficulty the hon. gentleman mentions, though I am quite sure, if he did not refer to it, we should not have noticed it; but his explanation does not alter the case.

There has been no injustice done from Confederation to the French-speaking population of Quebec. The French-speaking population in the other provinces have never shown a distinction between themselves and the rest of the people. The French-speaking population of Quebec has always drawn that distinction, and in the formation of every Government that element of the population has constantly had a representation of three members in the Administration, and the Province had an English-speaking representative also in the Cabinet, as is but natural, considering the number of the English-speaking population in that Province. Thus, with due regard to their strength and influence, the French-speaking population have all along had the representation in the Cabinet to which they were entitled, and in addition have had the high offices which I have mentioned; and I am bound to say if in the two branches of the Legislature, and in the various departments of the Civil Service, inquiry was made, it would be found that they have had their full representation in all the offices of the country. I say, therefore, without fear of successful contradiction, that the hon. gentleman is incorrect in assuming, and in stating to this House, that the French-speaking population has not had complete and absolute and thorough justice done to them in any way. Where, probably, an inconvenience has been done to them, is that there has not, during the time of the present Government, been a French-speaking member of the Cabinet in this House, and I regret it. I expressed my regret before, and expressed it sincerely, and feel it now sincerely and earnestly. But because you admit the inconvenience and regret it, you cannot always bring about what you desire in the way of remedy. Supposing other gentlemen were equally exigent as the hon. gentleman is, might not the hon. gentlemen from the Lower Provinces assert a similar demand? There are only two representatives of the Government on the floor of this House, and both, as it accidentally happens, are from Ontario. Is not a like injustice done to the Lower Provinces as that which the hon. member from De Lanaudiere complains of as regards Quebec? It is an omission which we regret, and which we would fain have otherwise; but the complaint against it, excepting as to the speaking of the French language, would come as strongly from the Lower Provinces as from Quebec. The only grievance peculiar to the hon. gentlemen from Quebec speaking the French language is that neither the Minister of Inland Revenue nor myself has the advantage of being able to use that language in addressing the House. When the hon. gentleman quotes some language which I used speaking last year on this subject, I beg to recall to his memory that he was then, as he has now been, making reference to "intrigues on Notre Dame Street," and "on the cars," and "in the Windsor Hotel," and I said in reply that I was, unhappily, ill at the time when the Government was formed, and did not know to what he referred, and I do not know now. I was, as I said, on the occasion to which he refers, prevented by illness from being present, and did not know anything about the negotiations which preceded the formation of the Government. The hon. gentleman has drawn, from the remarks of mine to which he has referred, this deduction or inference, that I might, and should, if I had been present, have protested against the admission of a French Canadian Senator in the Cabinet, and insisted that there should have been such a member of the Government in this House, under the penalty of resigning, and that last year I offered as an excuse or apology for not having done so, that I was ill and absent when the Cabinet was formed; that on the occasion of the recent changes I was well and present, and should have taken the course which I have pointed out. That is really what the hon. gentleman meant. Now, I can say for myself, as I did at the beginning of my remarks, that I am as full of sympathy for the French-speaking population of the country as anyone can be, and I venture to assert the same thing of Sir John Macdonald, and that it is not any indisposition on his part to see a French-speaking representative in the Government in this branch of the Legislature which led to the omission, and that he is governed, as he cannot avoid being governed, by the circumstances of the moment. In the recent readjustment of the Lower Canadian section of the Government, my hon. friend complains that there has been no change in this House. What does my hon. friend suggest? Does he suggest that I should tender my resignation to make way for a French Canadian?

Hon. Mr. BELLEROSE—No; I would be sorry for that.

Hon. Sir ALEX. CAMPBELL—Then my hon. friend means that my hon. colleague near me should tender his?

Hon. Mr. BELLEROSE—No.

Hon. Sir ALEX. CAMPBELL—Then how could there be a change in this House?

Hon. Mr. BELLEROSE—When the Premier selected Mr. Mousseau, he might very well have chosen a French-speaking member in this House, and given him the portfolio which Mr. Mousseau holds now.

Hon. Sir ALEX. CAMPBELL—I do not see how that could have been done without running counter to the wishes of the great French Canadian party which in the Commons supports the Government. My hon. friend must bear in mind that this is not the House which makes and unmakes Ministers; that all-important power rests properly and constitutionally in the other branch of the Legislature, and the Premier must of necessity make such arrangements as will receive the concurrence and approval of the majority in the House of Commons; and I beg to remind the hon. member that we do not hear these complaints in the House of Commons. The party to which my hon. friend belongs—the Conservative party of Quebec—and in which I am proud and happy to have him as a supporter, with its great majority and its able men, exerts an influence second only (if it be second) to that of the Conservative party of Upper Canada at this moment—and it is an influence which, in the history of old Canada, was greater than that of the Conservative party in Upper Canada—that great party, as represented in the House of Commons, does not find fault with the first Minister for not having a representative of the French-speaking population in this branch of the Legislature. They do not say, "we are discontented, and we shall, by a vote of want of confidence, turn out the Government because you have not done justice to the French population." They do not feel the injustice; they do not think or say that there is any injustice. Sir John Macdonald has conferred offices upon those members of the Quebec section of the Conservative party who are on the whole most acceptable to the French Canadian Conservatives in the country, and as represented in the House of Commons. The deduction is a fair inference, from the fact that the immense majority from Lower Canada in the Commons—the whole representation of the Province, with the exception of fifteen or sixteen—support the Government in the other branch of Parliament.

Hon. Mr. BELLEROSE—The hon. gentleman says that in the other House, and in the Province of Quebec, there is no complaint. I beg the hon. gentleman's pardon. If he will look at the newspapers of the Province of Quebec since Mr. Mousseau entered the Cabinet, he will see in Conservative, as well as Liberal journals, that, though Mr. Mousseau is acceptable, they regret that due justice has not been done to the Senate.

Hon. Sir ALEX. CAMPBELL—I regret—everybody regrets it—but circumstances are such that we cannot change or alter it. The hon. gentleman must see that every Government must be constructed so as to command the confidence of the the lower branch of the Legislature. This Government do command the confidence of that Chamber. If they do not, and if the representatives of Quebec in the Lower House are dissatisfied, they have only to say so, and the Government must necessarily succumb. But they have no such feeling—they are content, they do not see the grievance of which the hon. gentleman complains, and the inference I draw is that, while I am aware of the convenience which would result from having a French Canadian member of the Government in this House—to no one more than to myself—yet the French Canadian Conservatives see that the circumstances were such as to hinder the Premier from making that change on the recent occasion. The hon. gentleman supposes that Mr. Mousseau might have been brought into this House. I take leave to doubt whether, if such a thing had been done, it would have proved acceptable to the hon. member. I infer so from the language used by the hon. gentleman (Mr. Bellerose) on a previous occasion on this subject. I understood from him then that it was a French-speaking member of this House who should then have been appointed.

Hon. Mr. BELLEROSE — Hear, hear.

Hon. Sir ALEX. CAMPBELL—I speak, of course, with submission to the views of my French Canadian friends in this House. I do not know that it would have been any great satisfaction to them to have Mr. Mousseau introduced into this House.

Hon. Mr. BELLEROSE—No.

Hon. Sir ALEX. CAMPBELL—The hon. gentleman says no. Then it comes to this: the changes which have been made could only be made by displacing my hon. friend (Mr. Aikins) or myself. I speak for myself, and I think I can speak for my hon. friend, when I say that any change which would have been to the advantage of the Administration we would have cheerfully submitted to; but it was not felt that it would have been an advantage. The French Canadian members of the other branch of the Legislature desired to have the full complement to which their section of the party was fairly and by custom entitled in the Administration in the other branch of the Legislature.

Hon. Mr. BELLEROSE—Does the hon. gentleman pretend that it was customary in united Canada to have only two ministers in this House?

Hon. Sir ALEX. CAMPBELL—No; I do not.

Hon. Mr. BELLEROSE—Leaving the Minister of Inland Revenue and the Postmaster-General in this House when Mr. Masson resigned, could not the hon. Senator from De Salaberry have been called to the Government, and Mr. Mousseau left as a private member in his seat?

Hon. Sir ALEX. CAMPBELL—That could have been done if it was so desired by the majority of the French Canadians, but the mistake which the hon. gentleman makes is in supposing what he desires is what they desire. We have the evidence of what they desire.

Hon. Mr. BELLEROSE—I do not want to be misunderstood. I say this: that, although the members of the House of Commons will take two more ministers if given to them, they are willing to give the Senate its fair share. Though they are ready to take another minister to their House, they are ready to do justice to the Senate. I suppose the hon. gentleman in his argument forgets one thing: that at the time when this Government was formed, fourteen ministers were appointed.

Hon. Sir ALEX. CAMPBELL—I endeavor to bear in mind the whole of the circumstances; I believe I have them in my mind, and I am quite satisfied that the French Canadian party as represented in the House of Commons, so far as I have been informed by gentlemen who are familiar with them, and who, I suppose, understand their views, desire to have a full representation of the French Canadian party in that branch of the Legislature at this moment. That I understand, and I think my hon. friend has done an injustice to the head of the Government if he supposes, as I apprehend he does suppose, that there has been an indisposition on the part of Sir John Macdonald fairly to consider the position of the French Canadian party, or any unwillingness to do that portion of the party which is in this House justice, so far as it could be done.

Hon. Mr. BELLEROSE—I will tell the hon. gentleman why I have that opinion. Two years ago, before even I knew anything about what Sir John Macdonald would do, I heard gentlemen —authors of this intrigue—after my first speech in this House, stating that we might speak, but there would be no French-speaking member of the Government in the Senate for many years, and that they would see Sir John Macdonald would stand by them or fall.

Hon. Sir ALEX. CAMPBELL—Of

course I do not know the fact, and it is difficult to assert a negative, but I am as sure as I am of anything that Sir John Macdonald never uttered such a statement.

Hon. Mr. BELLEROSE—I did not say that, but I say that when in 1878 members of the Senate rose to vindicate the rights of the French-speaking population, the authors of those intrigues that I have been speaking of, who were in Ottawa at the hour, stated they would see that Sir John Macdonald should not listen to us, and that they were sure we would not have what we desired because only three or four had a chance for positions, and that no member of this House would have any of them. They were in fact the jobbers of the Government.

Hon. Sir ALEX. CAMPBELL—I see it is not Sir John Macdonald who is accused of having said this, but some one who is spoken of as a jobber or intriguer. I do not know who is meant or referred to as the intriguer or jobber, and, therefore, I cannot answer, but I am quite sure these are not the sentiments of Sir John Macdonald, and that he is quite ready—as ready as my hon. friend could desire—to have a French Canadian member of this House in the Government if circumstances enabled such a change to be made; and I say that this omission ought not to be considered as a grievance so great as to be made the foundation of a complaint of injustice being done to the French-speaking population of Canada. I ask is it not rather a complaint with reference to the injustice supposed to be done to members of this House who speak the French language? Now, fortunately for them and for us there is no French Canadian member of this House who does not perfectly well understand the English language, and although it would be far more convenient, and although I admit the Constitution does provide for the free use of the French language in both Chambers, and though it is somewhat inconsistent with that interpretation to have no French-speaking member of the Government here, yet no government can always carry out things logically as the hon. gentleman would desire. I only wish the hon. gentleman was in the Government and had to manage things for a year or two, he would then see the difficulty of making everything run accurately in grooves at all times. No! you must do the best you can under the circumstances, and with the men you have, and with the surroundings of the moment. We have tried to do that with regard to the recent changes. How can it be objectionable to Sir John Macdonald to have a French-speaking member of this House a member of the Government? What earthly objection could he have to it? How much more likely that he would be glad to have it so, and what an advantage it would be to my hon. friend (Mr. Aikins) and myself. But you cannot always do what you wish or what you think best. I hope the time will come when such an arrangement can be made as was done in the past by the Government of which I was a member before 1873, and by the late Administration, and was done with great convenience. The hon. member would hardly be more pleased than I would be; it was an arrangement fraught with manifest convenience to the business of this House. I quite acknowledge and admit it, and I regret that we have not it at this moment; but to complain that it is injustice to the French Canadian population is unreasonable. It is an inconvenience to those gentlemen who speak that language in this House, an inconvenience which I would fain see remedied, and which, without going further and saying more than it would be proper to say, I have done my best to remedy. I hope the time will come when it will be remedied. I regret that my hon. friend feels the inconvenience so deeply. I hope the explanation will show that if we are in error we have not erred willingly, but that it has only been forced upon us by circumstances, and that we are quite ready to repent, and do otherwise, when the circumstances of the hour, and the will of that power which controls ministries combine to enable us to do so.

Hon. Mr. HAYTHORNE—I wish to make a few remarks on this question before the Address is passed, but I may say that after the singular interlude that has just occupied an hour and a-half of the time of the House, I feel myself certainly not in a position to resume this debate at present. It is rather difficult to recall the attention of the House to the subject of the evening's discussion after the interruption we have listened to; that interruption may have been necessary, but I must say, under the circumstances, I think it would be becoming on the part of the Government to allow an adjournment of the debate.

Hon. Sir ALEX. CAMPBELL—We wish to get through the debate this evening, in order to allow papers in connection with the Pacific Railway contract to be laid on the table of the House on Monday, otherwise we might be detained for several days.

Hon. Mr. HAYTHORNE—I listened with keen attention to the speeches of the two gentlemen who introduced the Address in this House this afternoon—the hon. mover and the hon. seconder—and I may say I was highly pleased with their speeches, as much so as could possibly be expected from a member of the Opposition. I could not, certainly, coincide with all the views they expressed, but I could do so with a great many of them. At all events, I can bear testimony to the eloquence of their addresses. I cannot agree with the view taken by the hon. member from Arichat, that it is unusual and contrary to British parliamentary practice to offer criticisms upon the speeches of hon. gentlemen under these circumstances. It may be true, as the hon. gentleman stated, that in the Imperial Parliament it is not the practice to criticise very severely the mover and seconder of the Address, but my hon. friend has lost sight of the fact that in the British Parliament the Address is moved and seconded by new members—men recently returned by the people, or recently assuming a seat in the House of Lords, consequently the analogy does not apply in this case, more particularly so as the mover of the Address announced himself to this House not as a new politician—although a new member—but, on the contrary, his political experience went back as far as most of us can speak of our own, and, therefore, it is by no means essential that the courtesy extended to new members who are addressing Parliament for the first time should be extended to him. The hon. gentleman who seconded the Address has an experience as long, and perhaps not less general than the hon. gentleman who moved the Address. Although I have no desire in making these remarks to criticize their speeches in an unfriendly spirit, I must assert that they have no right to claim immunity from general and courteous criticism. I wish to say a few words upon the subject of the harvest, which has been referred to in the Speech as being a bountiful one. I presume it has been so in most of the provinces, but I regret that some few words of qualification were not added to that paragraph which would have shown the sympathy felt by the Government of this Dominion with the people of the Province from which I come. I regret to say that we cannot boast of an abundant harvest in Prince Edward Island. The wheat crop has been decidedly deficient, and the oat crop, on which a great portion of the poorer classes of farmers depend as their staple grain for export, has been very poor; part of it has been good, but the crop is greatly deficient, and I cannot but think that, when this paragraph is read by the people of the Province from which I come, it will cause considerable regret, and will lead them to conclude that their welfare has been overlooked by the Government of the Dominion. It is rather singular, I think, that in the same paragraph, the harvest and the commercial prosperity are placed in such close juxtaposition, and it would seem as if the object of the hon. mover and seconder, in the course of their arguments, was to show a connection between those two. For my part, I think the hon. gentlemen overlooked an important factor in their arguments. I think the hon. mover stated, and the hon. seconder also, that there had been good harvests in Canada before (no doubt there had), and yet Canada was not prosperous, the inference being that the want of prosperity was due to the absence of the National Policy. But now Canada is prosperous; she has the National Policy, and has enjoyed a good harvest, and the inference is that the National Policy has largely contributed to that prosperity. But both the hon. mover and the hon. seconder of the Address omitted to state that under Mr. Mackenzie's Administration one of the most important of our industries—the most important perhaps after agriculture, the lumber trade—was languishing to a most extraordinary degree. We all saw in our daily rambles about the capital the vast piles of unsold lumber standing in the owners' yards; we saw the idle mills, and we knew that for years that industry was practically perishing. Upon what did that depression depend? Did it arise from any fault of the Government? Not at all; it depended on the paralyzed condition of trade in the United States, over which we had no control. We might have good harvests, but that would not set the lumber trade in motion again; neither would it set the other industries in motion which were also in a dormant condition in the United States, and, consequently, we were deprived of the markets for our lumber: but, whenever circumstances occurred such as have taken place during the past year—and I may say two or three preceding years of scarcity in Europe, the last season especially—an active demand arose in Europe for American corn, and it was evident that that demand was likely to continue for some time. Then American industry was at once set in motion, and there was again a demand for our lumber. The result has been a return of prosperity; but to assume that the National Policy has actually contributed in any material degree to that prosperity, I think is an assumption without proof. The next paragraph in the Speech refers to the important question which has brought us here, but I am happy to find that in a general way throughout the debate very little reference has been made to the details of this new contract. Of course everybody felt that until the terms were before the Legislature it would be idle to attempt a debate on them. I do not think the Government, in calling Parliament together at this particular time, has acted in a manner to entitle them to praise. It is urged in this House—I think the hon. gentleman from Arichat urged in defence of the course of the Government his belief that they had summoned Parliament as soon as the contract had been finally completed. That may be so, but I do think it would have been far more satisfactory to Parliament and to the country generally had the terms of the contract been made public, so that the people would have had an opportunity of discussing the matter face to face with their representatives before leaving for their parliamentary duties. The Government would then have taken into their councils, not merely the members of Parliament and Senators, but also the people. As it is now, and as my hon. friend the leader of the Opposition in this House has stated, this matter will probably be decided upon before a large majority of the people of the Dominion are aware of the exact terms of this great contract, which is to bind them and their children to so gigantic an undertaking. This was an error, a grave error, that they did not make the terms of this contract known before summoning Parliament, or, at all events, contemporaneously with the summoning of Parliament. I do not believe that the course they have pursued is that which would be adopted under the more modern practice of British Governments and British Parliaments. My impression is that in Great Britain the course now more generally adopted by governments is to give full publicity to questions of national importance; and, if I remember rightly, when Lord Beaconsfield made the purchase of the Suez Canal shares he made no secret of it; the terms of the contract were made known at the earliest possible date, and I think that everybody who concerns himself at all with the course of public affairs in England must agree that in all quarters—in the public press, and amongst statesmen in and out of Parliament—there is a universal demand that that extreme reticence which used to prevail in the management of public affairs in former times should no longer continue. I think that any person who takes the trouble to inform himself on these affairs will take that view of the case. I say nothing about the inconvenience of this early session. I have always considered that when a man becomes a member of Parliament, or accepts a seat in the Senate, it is his duty to hold himself prepared to appear here and do his duty and remain here just as long as the public service requires his attendance. For my part if it is necesrary to do without the usual festivities of Christmas and

New Year's, I am prepared to stay here and do my work as long as the Government require my services. I observe a little further on in the Speech, a paragraph respecting the Intercolonial Railway and the Prince Edward Island Railway, which will require a few remarks from me. I felt it my duty last year, in consequence of a paragraph in the Speech with which Parliament was opened last session, to make some reflections on the management of the Intercolonial Railway. I, and many other members from the Maritime Provinces, had recently performed a journey on that road, and we all had complaints of more or less gravity as to the state of things on that line. Some of us complained of accidents to wheels, some of cars off the track, and some of one thing and some of another. There certainly was sufficient cause to criticize, and criticize with some severity, that paragraph of last year's Speech which claimed credit for the good management of the Intercolonial Railway; but I can coincide with the view expressed by my hon. friend from Halifax, that on this occasion, I for one, have found the line of the Intercolonial Railway, as far as a passenger can judge of these things, in admirable order, and I have no fault to find with its management on the present occasion. If there is anything that requires notice, it is that the staff chargeable with the transfer of luggage is rather inadequate, but the road appears to be in a most excellent condition. I wish I could, consistently with my duty, speak in terms equally agreeable to the Government upon the state of the Prince Edward Island Railway, but that I cannot do. Credit has been taken by the Government for the economy that has been produced in the management of that road. They say "You will be glad to learn that the measures adopted to promote economy in the working of the Intercolonial and Prince Edward Island Railways have resulted in a large reduction of the difference between revenue and expenditure." Now, hon. gentlemen, that clause is skilfully worded, I admit, but at the same time I cannot agree that any credit is due to the Government for reducing expenditure upon the road provided they fail to maintain the permanent way in safe working condition. It may be, as the Government state in that clause, that they have reduced the expenditure on that road, but have they maintained its efficiency? There's the point. Now, I have positive proof to bring before this House that its efficiency has not been preserved; on the contrary, that the roadway was reduced to such a condition as to result in a most serious disaster this last summer. A train got off the track and was completely smashed up, and a considerable portion of the line was torn up, and several passengers were most grievously mutilated. There were men on the train at that time who have scarcely recovered; in fact one of them I know has not recovered from the effects of that accident to this day, and probably never will. A sort of inquiry was held at the time, I believe, under the superintendence of the management of the road, and the witnesses produced were all employees on the road. They all declared that the line was in excellent order, with one exception. There was one person who did make a suggestion. I do not know as it is necessary to give his name, but that gentleman declared that the accident must have arisen from defective sleepers. I think that I am warranted in saying that it did occur from defective sleepers or ties. That accident occurred within a couple of miles of my residence, and as soon as I heard of it, I made it my business to inspect the road, and it was only two or three days after the accident that I visited the spot.

Hon. Mr. DeBOUCHERVILLE—Who was that road made by?

Hon. Mr. HAYTHORNE—It was made by a contracting firm named Scriber and Burpee.

Hon. Mr. DeBOUCHERVILLE—Was it not built by the Prince Edward Island Government?

Hon. Mr. HAYTHORNE—It was built for the Prince Edward Island Government by Messrs. Scriber and Burpee. What I wish to say is this: that the accident was clearly traceable to defective sleepers. I examined them myself, and from my own observation I can state positively—although, of course, my observation goes for no more than that of a private individual—that the sleepers in the immediate vicinity of the spot, when that accident occurred, were in a defective condition; and any government who would knowingly tolerate such a condition of things as that, are directly responsible for the lives and safety of the people of the Province from which I come who have to travel over that railway. I do not say anything as yet, nor shall I until the papers, which I shall move for at the proper time, come down, whether the failure to remove defective sleepers lies at the doors of the local management or of the Government. An extensive renewal of sleepers has taken place on different parts of the road since that time. I cannot state to what extent this has been done, but probably the papers which will be laid upon the table before the session closes will elucidate that point. I can state that the road from Charlottetown to Georgetown is in very fair order, and there have been large renewals on the road since that accident occurred. Now, hon. gentlemen, if the agent of a house proprietor, for example, were to boast to his principal that he had effected a considerable increase in his rental, and if that agent had allowed the roof trees of the dwellings under his charge to decay through inattention, would he be entitled to praise for his management, or would it be thought that he was doing his employer justice? I think not, and I think that the Government are not entitled to credit for economy when they are allowing the roadway of the Island Railway to fall into decay. I would hear with great satisfaction of any measure coming forward that would place the Civil Service on a good footing. I think the successful carrying on of the public departments depends on the efficiency and permanency of those employed in the Civil Service. I could quote some high authorities in proof of that assertion, but I decline to do so on account of the lateness of the hour and the length of this debate. I think if the Government will bring forward such reform as will place that service on a permanent and efficient footing, they will be doing a lasting service to the Dominion, and I, for one, will be prepared to give them credit for taking a step in the right direction. There is a paragraph in the Speech with reference to the tariff and the revenue. I could join in the congratulations which are claimed from Parliament upon this subject if a small portion of that paragraph were omitted. It is there stated that:—

> "It will be satisfactory to you to know that the existing tariff has not only promoted the manufactures and other products of the country, but has so far increased the revenues of the Dominion as to place it beyond doubt that the receipts of the current fiscal year will be in excess of the expenditure chargeable to Consolidated Revenue."

Now, the latter part of that paragraph is a matter upon which we might fairly congratulate ourselves, although our congratulations would be more thorough and more complete provided the revenue had been raised by duties only calculated to raise revenue, and not to protect manufacturers. It speaks of having promoted the manufactures of the country, but I very much doubt whether there is any reason to congratulate the country on the success of manufactnres promoted in the manner the paragraph describes, because every additional profit made by the manufacturers is evidently made at the expense of the people of those provinces who could have provided themselves with the articles that they required under a revenue tariff on cheaper and more beneficial terms than under the National Policy. I notice that in the French rendering of the Speech the word "favorise" has been used, a term more analogous to protection than the word "promoted," used in the English edition. I feel, hon. gentlemen, that to occupy your time any longer on this occasion would only render my remarks somewhat tedious. I admit, for the reasons stated in the beginning of my address, that my ideas are not a little disjointed, owing to the interlude which occurred just before I rose to address you, and that being so I conclude very briefly by stating my conviction that, fortunately, the prosperity of this country cannot be made to depend upon fiscal laws connected with the customs. They may affect our prosperity to a very great extent, but to shut it out or stamp it down, it is beyond the power of the tariff to do. I say this because I believe that the neighboring Republic has a like experience with our own. I have quoted before in this House the words of Mr. David Wells, the Commissioner of Revenue in the United States upon an occasion somewhat similar to this in the history of his country. Congress had established a strongly protective system—stronger than that which exists in Canada. Mr. Wells, in his report to Congress on the state of the revenue, said, in some such words as these, which I may quote again in this House if I hear it asserted, as I have heard it to-night, that the National Policy is the cause of the measure of prosperity that we now enjoy: "Throughout the length and breadth of the United States, from east to west, from north to south, prosperity prevails, abundance of employment for labor and abundance of employment for capital. Everything prospered; but," he added, "this prosperity is due to the inherent energies of the people and natural resources of the country, and not to legislation." I say the same here to-night, and I shall close my remarks with these important words of Mr. Wells.

The motion was agreed to.

Ordered that the said Address be presented to His Excellency the Governor-General by such members of the House as are members of the Privy Council.

THE PACIFIC RAILWAY CONTRACT

Hon. Mr. SCOTT inquired of the leader of the Government what course the Government proposed to take to ratify the contract with the Syndicate who had undertaken to construct the Canadian Pacific Railway.

Hon. Sir ALEX. CAMPBELL said the contract would be laid on the table of the House on Monday, accompanied with a Bill, which would become the Act of Incorporation if it was passed.

The Senate adjourned at 10.07 p.m.

THE SENATE,

Monday, December 13th, 1880.

The Speaker took the Chair at Three o'clock.

Prayers and routine proceedings.

THE PACIFIC RAILWAY.

THE CONTRACT WITH THE SYNDICATE.

Hon. Sir ALEX. CAMPBELL read a Message from His Excellency the Governor General, transmitting a contract entered into for the construction of the Canadian Pacific Railway, and accompanying schedule, and recommending the same for the favorable consideration of the Senate. He said that it was his intention to have presented these documents on Friday evening. The desire of the Government was to have presented them to both Houses simultaneously, but up to the time that the Senate adjourned the debate on the Address had not terminated in the Lower House. The Government, as represented in that body, presented the papers that evening before the adjournment. He now laid them, at the earliest opportunity, before the Senate.

BILLS INTRODUCED.

Bill (A) "An Act respecting prize fighting."—(Sir Alex. Campbell.)

Bill (B) "An Act to amend the law respecting documentary evidence in certain cases."—(Sir Alex. Campbell.)

THE SENATE DEBATES.

DELAY IN PUBLICATION.

Hon. Mr. MILLER called attention to the fact that only a portion of the debate of Friday last appeared in this morning's paper. He did not know where the fault lay; he did not say that it rested with the reporters. Very often it was the fault of members who, when reports of their speeches were sent to them for revision, failed to return them to the reporters in time for publication. He (Mr. Miller) had made it a habit when reports of his speeches were sent to him to revise them promptly and return them as soon as possible to the reporters. He threw out this suggestion at the opening of the session in the hope that affairs might be managed more pleasantly than last session.

Hon. Mr. DICKEY thought that his hon. friend had furnished the key to the delay that had occurred—it was the result of members not returning the reports of their speeches in time for prompt publication. He (Mr. Dickey) happened to know that in this instance the report had been delayed from this cause. The hon. Senator from Ottawa might be able to explain whether it was so or not.

Hon. Mr. SCOTT regretted if he had been the cause of retarding the gratification of anybody. He did not know that his speech was so exceedingly important, but he had to-day written a brief paragraph and furnished it to the reporters in lieu of the full report of his speech, and in future he would act upon that principle and give no cause for complaint. Having delivered a speech, he did not want to read it again; it had not that attraction to him.

Hon. Mr. BELLEROSE, as a member of the Debates Committee, thought that such delays would at times be unavoidable, and that they ought not to be attributed to the reporters, but to certain members of the House, who were the cause of them. As for the members from Quebec, who spoke in French, delay was unavoidable, owing to the difficulty they experienced from having no French reporters. Their speeches had to be translated, and delay necessarily resulted from that cause. It was not only the practice for members to revise the reports of their speeches, but the reporters were required, by the terms of their contract, to give Senators opportunity for such revision, and to wait until the reports were returned to them for publication. Members could not at all times be ready to read the manuscript of their speeches when it was sent to them. They had meetings of committees to attend and other duties to discharge, which often prevented them from revising the reports in time to have them sent to the printer. Under the circumstances there should be no complaints. It was the result of the system adopted by the House and of the terms of the contract with the reporters.

The subject then dropped.

THE PRINCE EDWARD ISLAND JUDGES.

REPLY TO A QUESTION.

Hon. Sir ALEX. CAMPBELL desired, before the adjournment of the House, to reply to a question which had been asked last session by the hon. Senator from Prince Edward Island (Mr. Haythorne) as to the judges' salaries. He had promised that the matter should engage the consideration of the Government. Since last session the Government had considered the subject, and would be prepared, during the present session, to submit to Parliament a revision and readjustment of the salaries of some of the judges of the Maritime Provinces.

The Senate adjourned at 3.30 p.m.

THE SENATE,

Tuesday, December 14th, 1880.

The Speaker took the Chair at 3.20 p.m.

Prayers and routine proceedings.

THE STANDING COMMITTEES.

THE LIBRARY.

Hon. Sir ALEX. CAMPBELL moved the appointment of the following Senators to the Joint Committee on the Library of Parliament:—

Hon. D. L. MACPHERSON, *Speaker*,

and Hon. Messrs.

Alexander,
Allan,
Almon,
Baillargeon,
Boucherville, De,
Bourinot,
Campbell (Sir Alex.),
Chapais,
Christie,
Cornwall,
Fabre,
Haythorne,
Montgomery,
Odell,
Reesor,
Ryan,
Scott,
Stevens,
Trudel, and
Wark.

The motion was agreed to.

THE PRINTING OF PARLIAMENT.

Hon. Sir ALEX. CAMPBELL moved the appointment of the following Senators to the Joint Committee on the Printing of Parliament:—

Hon. Messrs.

Aikins,
Brouse,
Bureau,
Cochrane,
Fabre,
McClelan (*Hopewell*),
Macfarlane,
Northwood,
Odell,
Reesor,

Ferrier,
Haythorne,
Kaulbach,
Simpson, and
Wark.

The motion was agreed to.

Hon. Sir ALEX. CAMPBELL moved the appointment of the following Committees of the Senate :—

STANDING ORDERS AND PRIVATE BILLS.

Hon. Messrs.

Aikins,
Almon,
Archibald,
Armand,
Bellerose,
Botsford,
Bourinot,
Boyd,
Brouse,
Campbell (Sir Alex),
Carvell,
Christie,
Cornwall,
Dever,
Dickson,
Ferrier,
Flint,
Girard,
Glasier,
Grant,
Guevremont,
Haythorne,
Howlan,
Macfarlane,
Montgomery,
Nelson,
Odell,
Paquet,
Pelletier,
Power,
Pozer,
Read,
Reesor,
Scott,
Sutherland,
Trudel, and
Vidal.

BANKING AND COMMERCE.

Hon. Messrs.

Aikins,
Allan,
Archibald,
Bellerose,
Benson,
Botsford,
Boucherville, De
Boyd,
Campbell ,Sir Alex.,
Chinic,
Cochrane,
Ferrier,
Gibbs,
Hamilton (*Inkerman*),
Hamilton (*Kingston*),
Hope,
Lewin,
McMaster,
Miller,
Paquet,
Pelletier,
Ryan,
Simpson,
Skead,
Smith,
Thibaudeau,
Trudel,
Vidal, and
Wark.

RAILWAYS, TELEGRAPHS AND HARBORS.

Hon. Messrs.

Alexander,
Allan,
Boucherville, De,
Boyd,
Bureau,
Campbell, Sir Alex.,
Carvell,
Chapais,
Christie,
Cochrane,
Cornwall,
Dickey,
Ferguson,
Ferrier,
Gibbs,
Hamilton (*Inkerman*),
Kaulbach,
Leonard,
Macdonald,
McLelan(*Londonderry*),
Montgomery,
Muirhead,
Nelson,
Paquet,
Power,
Price,
Ryan,
Scott,
Skead,
Stevens,
Sutherland, and
Vidal.

Hon. Sir. Alex. Campbell.

CONTINGENT ACCOUNTS.

Hon. Messrs.

Alexander,
Armand,
Botsford,
Bull,
Campbell, Sir Alex.,
Chaffers,
Cormier,
Dickey,
Dickson,
Dumouchel,
Girard,
Grant,
Hamilton (*Inkerman*),
Leonard,
McClelan (*Hopewell*),
McLelan(*Londonderry*)
Macfarlane,
McMaster,
Miller,
Nelson,
Penny,
Pozer,
Read,
Ryan,
Scott,
Skead, and
Smith.

REPORTING DEBATES.

Hon. Sir ALEX. CAMPBELL said that since he had given notice of the proposed Committee on the Reporting of the Debates, some of the gentlemen whose names appeared in it had stated they preferred not to act on the Committee. He therefore moved that the order be discharged.

The motion was agreed to.

The Senate adjourned at 4 p.m.

THE SENATE,

Wednesday, December 15th, 1880.

The Speaker took the chair at 3.30 p.m.

Prayers and routine proceedings.

BILL INTRODUCED.

Bill (C) "An Act to amend Chapter 15, 39 Vict., 1876, intituled 'An Act to make provision for the crossing of navigable waters by railway and other road companies incorporated under provincial Acts.'"—(Sir Alex. Campbell.)

DEATH OF SENATOR CHRISTIE.

MOTION.

The SPEAKER informed the House that he had received a telegram announcing the death of the Hon. Mr. Christie to-day.

Hon. Mr. SCOTT—I am sure we all feel deeply grieved at the melancholy intelligence that His Honor the Speaker has conveyed to the members of this House. The late gentleman filled important positions in this country, having been, I believe, first elected to the old Parliament of Canada in 1851, and consecutively since that period occupied a position in one or other branch of the Legislature. The deceased gentleman also held the position of Privy Councillor, having been sworn in in 1874. He was my predecessor in the office of Secretary of State, and subsequently occupied the position which you now fill. We all remember that, although loyal to his party; although having strong feelings of allegiance to those with whom he was in sympathy, politically, during his incumbency of that chair, his decisions were received in this House as coming from one who pronounced them judicially. I think I express the opinion of every gentleman here, that he did all in his power, with the clear judgment that Providence had blessed him, to act honorably, fairly and with integrity while he occupied the position of Speaker of this House. He had filled other positions, perhaps of not equal importance, yet scarcely second to those, having been devoted to the elevation of the Province of Ontario in the science of agriculture. Eminently successful in that pursuit, he engrafted his own views on men who are now leading tillers of the soil in Ontario. I think he was the first President of the Agricultural Association and Board of Arts, and, from its inception down to his latest breath, his heart was in the development of that important branch of industry in Ontario. I am aware that it is the rule in this Chamber that, when a departure takes place among the members of the Senate, it is not customary, of late years, for an adjournment to be moved. However, considering the exceptional position which the deceased gentleman occupied—that of having filled the chair in this body—I think the rule might, with all propriety, on the present occasion, be departed from, and I am quite sure that this Chamber will mark its feeling of regret at the loss it has sustained by adjourning out of respect for his memory. With these brief observations, I move that this House do adjourn out of respect to the memory of the late Hon. David Christie.

Hon. Sir ALEX. CAMPBELL, in a few words full of sympathy, seconded the motion and suggested that as Mr. Christie had been the Speaker of the Senate, two members of the House should attend the funeral on behalf of the Senate.

Hon. Mr. SCOTT accepted the suggestion.

The motion was amended accordingly, and agreed to.

The Senate adjourned at 3.50 p.m.

THE SENATE,

Thursday, December 16th, 1880.

The Speaker took the chair at 3.30 o'clock.

Prayers and routine proceedings.

DEATH OF SENATOR CHRISTIE.

The SPEAKER notified the House that he had named the Hon. Messrs. Scott and Hope, as representatives of the Senate to attend the funeral of the late Hon. David Christie.

TEMPERANCE LEGISLATION.

INQUIRY.

Hon. Mr. BELLEROSE inquired whether, in view of the decision given by the Supreme Court, as to the unconstitutionality of the laws passed by the Local Legislatures prohibiting the sale of intoxicating liquors, it is the intention of the Government to bring in a measure on the subject?

Hon. Sir ALEX. CAMPBELL—It is not the intention of the Government to bring in a measure upon this subject. The hon. gentleman supposes that the appeal has been decided, but I am informed that it has not, but that it is to be taken to England.

THE SENATE DEBATES.

THE STANDING COMMITTEE APPOINTED.

Hon. Sir ALEX. CAMPBELL moved that the Hon. Messieurs Boyd, Brouse, DeBoucherville, Macfarlane, Scott, Thibaudeau and Vidal be appointed a committee to inquire into the best means to be adopted to obtain correct reports of the debates and proceedings of the Senate, and for the publication of the same, and to report from time to time their views to the House. He said that he had given notice of the re-appointment of the old committee, but was informed on the part of some of the members that they would rather have a new committee struck, in order to get rid of and forget the troubles of last year; and he thought, himself, that this was the better course to take. Since then it had been suggested that as Mr. Thibaudeau was not often present, the name of another French Canadian member should be added to the committee. Hon. Mr. Chapais' name had been suggested. He (Sir Alex. Campbell) would be very glad to have that gentleman on the committee. Since then the hon. member from DeLanaudiere, who had been on the committee before, had expressed a desire to serve upon it again; and, as far as he (Sir Alex. Campbell) was concerned, he had no objection to add his name too. Hon. Mr. Hope had also been mentioned; so he proposed to add the names of the Hon. Messrs. Bellerose, Chapais and Hope.

Hon. Mr. CHAPAIS—I should prefer not to serve on the committee. Take Mr. Bellerose.

Hon. Sir ALEX. CAMPBELL moved that Hon. Messrs. Bellerose and Hope be added to the committee.

Hon. Mr. MILLER said if a new committee was to be appointed, he did not see why the hon. Senator from De Lanaudiere should depart from the understanding which the House had arrived at a day or two ago. He did not see why any particular individual of the old committee was to be appointed on the new one. He (Mr. Miller) thought, himself, it would be a good idea to substitute a new committee for the old one. But the suggestion should be carried out in its entirety.

Hon. Sir ALEX. CAMPBELL said his impression had been that there should be an entirely new committee, but as the hon. Senator from De Lanaudiere wished to have his name added to it, he had stated that he had no objection. The object of appointing a new committee was, that the troubles of last session and the previous one might be altogether forgotten.

Hon. Mr. BELLEROSE considered it but natural that the old committee should be re-appointed, as had been done in the case of all the other committees. But when the hon. Postmaster-General rose in his place the other day, and said that two or three members had asked not to be appointed to that committee, and that he would ask the House, therefore, to withdraw the motion, he (Mr. Bellerose,) translating that statement into French, could give but one interpretation to the words of the leader of the House, that another notice of motion would be given with the names of those who did not wish to serve, struck out, and replaced by the names of others. But it seemed, from the observations made by the hon. Senator opposite (Mr. Miller) that he himself had suggested another course.

Hon. Mr. MILLER denied that he had said anything of the kind. He had stated that he agreed with the suggestion of the hon. Postmaster-General. He (Mr. Miller) did not wish to serve himself.

Hon. Mr. BELLEROSE said the hon. gentleman had stated that the Postmaster-General ought to stick to what had been decided upon.

Hon. Mr. MILLER—"Suggested," I said.

Hon. Mr. BELLEROSE contended that if the hon. Senator from Richmond (Mr. Miller) did not wish to serve on the Committee he should withdraw, but the whole Committee should not be wiped out because one or two of its members wished for a change. He (Mr. Bellerose) did not consider it proper that his name should be struck out merely to please the hon. gentleman (Mr. Miller), who was himself always ready to take offence at any slight which was offered to him. The Committee had worked harmoniously last session, the only exception being the conflict which the hon. gentleman himself had raised with the reporters. Was it proper that because he (Mr. Miller) had some feeling against the reporters, the Committee was to be discharged and new members who would suit the hon. gentleman's taste appointed? If there was one committee with which the Government ought not to meddle it was this. It should be left in the hands of the House. The money which was paid for the reporting service was taken out of the contingencies of the Senate, and excepting the general supervision which the Government must have over all expenditures of the public money, they should not interfere with this matter. The House had, by a unanimous vote, expressed itself favorable to the committee, and there was nothing therefore, to justify the Government in adopting the course which they were now following. The proof that it was not the House that demanded this change was, that the Hon. Postmaster-General had of his own motion given notice to reappoint the old committee, and it had evidently been withdrawn at the request of somebody.

Hon. Mr. MILLER said that nothing which had fallen from him justified the remarks of the hon. Senator from DeLanaudiere. There certainly was nothing to justify his misrepresentation of facts which ought to be within his knowledge. The hon. gentleman had stated that this new departure had been made at his (Mr. Miller's) instigation. How dare he make such an assertion without a tittle of evidence to support it! When he did so he only placed his statements generally in a position not to entitle them to a great deal of credence by those who heard them. The hon. gentleman thought proper to say that there had been no trouble in the committee last year, except what he (Mr. Miller) made. Whether the hon. gentleman agreed with him or not, he was not going, by a loud voice, to prevent him (Mr. Miller) from stating his objections or vindicating his rights upon the floor of this House. With all the aggressiveness and inclination to be disagreeable which the hon. gentleman had on former occasions shown towards him and others, he would meet him (Mr. Bellerose) on this or any other ground which he might take in the Senate, in any spirit he thought proper to evince. It was a fact that there had been a great deal of unpleasant feeling in the committee last year, and that he (Mr. Miller), for reasons which he would not now state, was obliged to bring any grievances in connection with the reporting which he had to complain of before the Senate, and not before the committee. The hon. gentleman stated that the House was satisfied with the method of reporting last year; that statement was not correct. He (Mr. Miller) desired to say nothing on this occasion against the ability and faithfulness of the reporters. But the system was not what it should be, and ought to be changed. Suggestions to that effect had been made last session, not only by himself, but by the leader of the Government. The hon. Senator from Londonderry, and other members of the Senate who frequently took part in its debates, and whose opinions were entitled to respect, had suggested that some change should be made in the system of reporting, and that a plan should be adopted similar to that which was now working so successfully in the House of Commons. The day after the debate on the Address in that body took place a full report of it was in the hands of members, and the press on both sides of politics complimented the House of Commons on the great improvement they had introduced into their system of reporting. He thought it would be well if a new committee, free from any partiality for the old system and from the unfortunate personal unpleasantness of last year, should be appointed, who would be ready to adopt any improvement which the experience of the other House might show to be desirable. It was useless for the hon. Senator from DeLanaudiere to say that he (Mr. Miller) was the only one dissatisfied last session. Others had been dissatisfied, and the hon. gentleman might some day find that it would be just as unpleasant for him if others assumed a position such as he was adopting to-day, and by which any member might be placed at a disadvantage in reference to any public question. The principle having been laid down that a new committee was to be struck, there was nothing offensive in making the change, and it was not usual for a member to force himself upon a committee where a course like this was deemed necessary from any cause. The suggestion of the hon. Postmaster-General was a good and salutary one and likely to prove beneficial to the House and to the reporting service.

Hon. Sir ALEX. CAMPBELL was very sorry that there should be any unfriendly feeling about this matter. It was only a domestic arrangement for the purpose of having their debates reported, and surely it could be disposed of without unpleasantness. The reason of the change was that there had been some unpleasantness on the committee, and some gentlemen did not desire to serve on it again. Then it occurred to him that it would be better to change it altogether—take a fresh departure, and let bygones be bygones; that a new committee would have an opportunity of ascertaining without being influenced by prejudices and past differences what was the best course to be pursued with regard to the reporting, because there could be no comfort to the House in perpetual wrangle over those small matters. He thought from the position taken by his hon. friend from De Lanaudiere (Mr. Bellerose) the better plan would be to adhere strictly to the form of procedure, and move the resolution just as it was, allowing the hon. gentleman to have some further motion made hereafter upon the subject, if he so desired.

Hon. Mr. CHAPAIS declined to serve on the committee.

Hon. Mr. BELLEROSE said that he had no intention of provoking the hon. gentleman from Richmond, as he knew it was a serious matter, and he did not wish to have him repeat the scenes of last year in this House. However, if there had been difficulties on the committee, they were of a trifling character, and the only serious trouble was that which had occurred once in this Chamber. The House could judge of it because every hon. member was present when the attack was made by the hon. Senator from Richmond upon the reporters. As to the question before the House, he did not intend to oppose the motion of the hon. Postmaster-General.

Hon. Mr. MACDONALD said, as a member who had served two years on the Debates Committee, he had on all occasions endeavored to carry out the views of the House rather than his own, and he thought it was very unfair to cast a reflection on that committee. The names of the old committee had been entirely omitted from the new one because one or two members were supposed to differ in opinion from the others. In all committees there were difficulties, and it was well, perhaps, that there should be differences of opinion, but he hoped that the Government would not cast a reflection on the members of the old committee as not having done their duty.

Hon. Mr. BOTSFORD, as a member of the former committee, did not feel that this was a reflection upon them. Under the circumstances he approved of the appointment of a new committee, as he thought it was perhaps the best way to get over the difficulty.

Hon. Mr. HAYTHORNE said that he had been placed on the committee two years ago when the change took place. Though having no acquaintance with the subject, he had assumed the duty of serving upon the committee, and he had endeavored to discharge his duty in an efficient manner. He had heard no complaint in that committee that the reporting of this House was inefficiently, inadequately or improperly performed. On the contrary, he thought there was a general feeling of satisfaction at the manner in which it was done. There might have been one or two who expressed dissent; but on both sides of the House there was a general feeling that the reporting was promptly, efficiently and accurately performed. That being so it seemed strange that a committee who had discharged their duty so efficiently should be summarily dismissed.

Hon. Sir ALEX. CAMPBELL—Not at all.

Hon. Mr. HAYTHORNE considered that the committee who had charge of the debates had one of the most important duties that had to be performed in the Senate, for in their hands were the liberties of this House. Unless these debates were accurately reported and promptly published they might as well close their doors. To what purpose should he or any other hon. member rise in his place and bring some abuse or some malpractice which prevailed in his own province to the notice of the House, supposing it were in the power of any reporter or any committee to alter, amend or abbreviate that hon. gentleman's speech? The special point which had given so much satisfaction on both sides of this House with reference to the reporting had been the accuracy with which the speeches had been recorded and the promptitude with which they had been published and put in circulation throughout the country. He hoped that the new committee, whatever course they might adopt with regard to the publishing and printing, would, on no ground, consent to the curtailment, abbreviation or alteration of the speeches made in this House, for if they did, he for one, and he believed others would also feel themselves irresponsible for any reports of their speeches which might be published.

Hon. Mr. KAULBACH had no objection to have his name struck from the committee, but no reason had been given for taking this new departure. In striking other committees the practice was that when any member did not wish to serve on it, he expressed his desire to be relieved of the duty, and some other member was named in his stead. It was stated that a new committee had been agreed upon, by whom he did not know. Of course it was the right of the leader of the Government to name the committees, but if there was any one committee which should be directly within the control of the House it was this. He did not know of any discord in the old committee which would justify this change. Their recommendations had met with the approval of the majority of the House. The reporting of the debates of the Senate had been satisfactorily performed. He believed it was essential that the reporting should be in extenso, and he concurred in the opinion of the hon. Senator opposite (Mr. Haythorne) that it was important the reasons which influenced the Senate in amending or rejecting measures from the Lower House. No reporters should be given the liberty to furnish ideas for any member who addressed the House. Every Senator should be responsible for his utterances, and it should not be in the power of any reporter to curtail or modify them in giving them to the country. The practice had been in appointing committees, to select members who took an interest in and were specially qualified to deal with the subjects which were likely to come before them. Among the members appointed to this new committee was the hon. leader of the Opposition, who had plainly told the House the other day that the cause of the delay in publishing the debate on the Address was his neglect to revise the report of his own speech, and his disinclination to have it printed. The Government should choose such members as not only took a prominent part in the debates, but also were interested in the publication of the reports. No money expended by this branch of the Legislature was better employed than the small amount voted every session for the reporting and publication of its debates, and it would not tend to elevate the character of the Senate if these reports were curtailed in any way. He hoped the hon. Postmaster-General would add Mr Haythorne, or some other member who was alive to the importance of having full reports of the debates of the Senate, to the committee.

Hon. Sir ALEX. CAMPBELL said that the name of the hon. Senator from De Salaberry had been proposed, and he would therefore move that the names of Hon. Messrs. Trudel and Hope be added to the committee.

Hon. Mr. POWER denied that the House desired any change in the composition of this committee, or that there was any dissatisfaction with the present system of reporting, or the manner in which the committee did its duty last session. The recommendations of the committee had been adopted without division by the House, and no dissatisfaction had been expressed. He admitted that there had been some personal feeling in the committee, but not so much among its members as between one of its members and the reporters; and until about the close of the session there had been no personal feeling amongst the members of the Committee at all. He (Mr. Power) had no desire to serve on the committee this session, but he thought it unwise to remove all the old and experienced members. The subject of reporting the debates was a very important one. It was a matter of some delicacy and a little intricate, and there should therefore be some experienced member on the committee. Those who had been involved in the difficulty last year, and whose tempers had got a little excited, should not be upon it, but there were others, such as the hon. Senator from DeLanaudiere, who had never lost his temper in the committee or in the House, the hon. Senator from Prince Edward Island (Mr. Haythorne), and the hon. Senator from British Columbia (Mr. Macdonald) who might very well have remained on the committee and given the House the benefit of their experience gained in former years.

The motion was agreed to.

THE ADDRESS.

MESSAGE FROM HIS EXCELLENCY.

Hon. Sir ALEX. CAMPBELL read a Message from His Excellency, thanking the House for their Address in reply to his Speech.

The Senate adjourned at 4.30 p.m.

THE SENATE,

Friday, December 17th, 1880.

The Speaker took the chair at 3.20 p.m.

After prayers and routine proceedings, there being no business before the House, the Senate adjourned at 3.25 p.m.

THE SENATE,

Monday, December 20th, 1880.

The Speaker took the chair at 3.25 p.m.

Prayers and routine proceedings.

PRIVATE BILLS.

TIME FOR RECEIVING PETITIONS EXTENDED.

Hon. Mr. VIDAL presented the third report of the Committee on Standing Orders and Private Bills, recommending that the time for receiving petitions for private bills be extended to the 1st of February, and the time for presenting private bills to the 4th of February next. He asked the House to adopt the report without notice, as the time for presenting petitions expired to-day.

The report was adopted.

WRECK OF THE STEAMERS *OTTAWA* AND *BOYNE.*

INQUIRY.

Hon. Mr. TRUDEL inquired :—

Whether the Government has been informed of the shipwreck of the steamers *Ottawa* and *Boyne*, of the places where those steamers were wrecked respectively, of the causes to which their being wrecked is attributable, and of the amount of loss occasioned thereby ?

He said that he had called the attention of the Government last session to the character of the improvements on the Lower St. Lawrence, and especially those at Cap a la Roche where these wrecks had occurred. In addition to his own remarks he had submitted the opinions of men of great experience, one of whom had stated in a letter, from which he read to the House on that occasion, the following :—

> "This channel, where the works have been going on for the last two years, is only 150 feet wide, and has, moreover, irregular currents, that render it dangerous. If, instead of making this new channel, they had removed the boulders from the natural one, according to the reports of Captain Armstrong, and of the Superintendent of the Pilot Office in 1879, we would have a much better channel."

The letter from which this quotation was made explained why those improvements should have been made in another way. If he was correctly informed two very large vessels had been lost at this same Cap a la Roche during the past season. He would not take it upon himself to say that those losses were due to the improper manner in which the improvements were carried on at that place, but he had been informed that that was the cause. It was hardly necessary for him to say that our great highway the St. Lawrence was the source of our national wealth, and on its reputation for security of navigation depended in a great measure the prosperity of our trade.

Hon. Sir ALEX. CAMPBELL said he had asked the question of the Minister of Marine and Fisheries, and had learned from him that the Department had no official information on the subject of any kind; that the Government only knew the facts as they appeared in the newspapers, and, therefore, were unable to give any information beyond that which every hon. gentleman possessed.

VISIT OF MINISTERS TO ENGLAND.

MOTION.

Hon. Mr. HAYTHORNE moved :—

> "That an humble address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House:—1st. Copy of any Order in Council directing the Premier, the Minister of Railways and the Minister of Agriculture to proceed to England during the last summer. 2nd. Copy of any Order in Council or other document containing instructions to those Ministers before entering on, or while engaged in said mission. 3rd. Copy of any report of their proceedings made to His Excellency by those Ministers or any of them."

He said: In rising to make the motion of which I have given notice, I desire to preface it with a very few remarks. It will be in the recollection of the House that at the close of last session a policy connected with the carrying on of the Pacific Railway was enunciated by the Government, and received the approval of Parliament, and that in the recess, it appears, from a paragraph in the Speech from the Throne, and from papers laid on the table of the House, that a change has taken place, and that the Government are now engaged in bringing before Parliament a system very different from that which was recommended last year. It is with a view to elucidate the circumstances which led to this change, and obtain all the information which can be had on this question that I make the motion of which I have given notice. I presume there can be no objection to bringing down those papers, as they are very easily obtained, and not of very great length.

Hon Sir ALEX. CAMPBELL—There would have been no objection to bringing down those papers did they exist, but there is no Order in Council directing any of the Ministers named to proceed to England; there is no Order in Council giving instructions to those Ministers; there is no report of their proceedings, so I am afraid there are no documents that I can bring down.

PRIZE FIGHTING BILL.

SECOND READING.

Hon. Sir ALEX. CAMPBELL moved the second reading of Bill (A) "An Act respecting prize fighting." He explained that the attention of the Government had been called to the necessity of such a measure by two occurrences which had taken place last summer. On one occasion a prize fight which had been arranged in the State of New York took place on Canadian soil. On the second occasion the party of roughs was prevented from landing and the fight did not take place; but a great deal of trouble was experienced in preventing a breach of the peace.

The Bill was read the second time.

DOCUMENTARY EVIDENCE BILL.

SECOND READING.

Hon. Sir ALEX. CAMPBELL moved the second reading of Bill (B) "An Act to amend the law respecting documentary evidence in certain cases." He explained that it was to facilitate the trial of cases in courts over which this Parliament had jurisdiction, as, for instance, in the Supreme Court and Election Courts, and in the trial of criminal cases. It was simply for the purpose of making proof convenient by enacting that copies of the *Canada Gazette* and of proclamations, etc., might be accepted as evidence.

The Bill was read the second time.

BILL INTRODUCED.

Bill (D) "An Act further to continue in force, for a limited time, 'The better Prevention of Crime Act of 1878.'"

The Senate adjourned at 4.10 p.m.

THE SENATE,

Tuesday, December 21st, 1880.

The Speaker took the chair at 3.25 p.m.

Prayers and routine proceedings.

THE CHRISTMAS HOLIDAYS MOTION.

Hon. Sir ALEX. CAMPBELL moved that when the House adjourn to-morrow, it stand adjourned until Wednesday, the 5th of January next.

Hon. Mr. BOTSFORD suggested that it would be just as well to adjourn until Wednesday, the 12th of January.

The suggestion was adopted, and the motion was amended accordingly and agreed to.

LAVAL UNIVERSITY.

MOTION.

Hon. Mr. PAQUET moved :—

"That an humble Address be presented to His Excellency the Governor General, praying that His Excellency will be pleased to cause to be laid before this House copies of all Correspondence, Petitions, and other Documents addressed to the Honorable the Secretary of State for the Colonies, in England, through the Honorable the Secretary of State for the Dominion of Canada; also, copy of a Memorandum from the Honorable the Minister of Justice to the said Honorable Secretary for the Colonies, the whole concerning the amendment to the Royal Charter granted to Laval University of Quebec, from January, 1879, up to this date."

The motion was agreed to.

PRIZE FIGHTING BILL.

IN COMMITTEE.

The House went into Committee on Bill (A), "An Act Respecting Prize Fighting."

On the first clause, defining the meaning of the term "prize fight,"

Hon. Mr. CORNWALL said that the clause did not describe what prize fighting was, and if it passed without amendment, it would include all kinds of boxing, whether for a prize or not.

Hon. Mr. ALMON was not in favor of prize fighting, but he thought the first clause of this Bill was too stringent, and would include fights between school boys. He disapproved of putting down that way of settling disputes among boys, and even among young men. It was better than to resort to the stiletto of the Spaniard and Italian, or the revolver and bowie knife of our cousins across the border. He moved, in amendment, to add the following words to the clause :—

"Upon the result of which encounter or fight any prize money or advantage of a pecuniary nature to whomsoever is made to depend."

Hon. Sir Alex. Campbell.

Hon. Sir ALEX. CAMPBELL said that the difficulty of adopting the amendment, or any words to that effect, was that these brutal encounters might take place on a bet, and not for a prize. It would enable prize fighters to evade the Act.

Hon. Mr. DICKEY approved of the object of the Bill, but, as this clause stood, it applied to other contests which it was not contemplated to put down, and which, he thought, were a far more sensible way of adjusting disputes than the more modern one of knives and revolvers.

Hon. Mr. MILLER concurred in the opinion of the hon. Senator from Amherst. The definition of "prize fight" was very imperfect.

Hon. Sir ALEX. CAMPBELL thought that the clause might be amended to provide that a fight between parties over the age of twenty years, and on the termination of which fights money or bets depended, should be punishable.

Hon. Mr. MILLER said it would not do to limit the age, because there might be very brutal fights between athletic young men of nineteen years of age.

Hon. Mr. RYAN thought the Bill should provide also for the punishment of fights with cudgels.

Hon. Sir ALEX. CAMPBELL said that such fights did not take place in this country.

The further consideration of the clause was postponed.

On the second clause,

Hon. Sir ALEX. CAMPBELL moved to fill up the first blank with "one hundred," the second blank with "one thousand," and the third blank with "six."

Hon. Mr. ALMON thought these penalties were altogether too high.

The clause was adopted, and the amendments were agreed to.

On the third clause,

Hon. Sir ALEX. CAMPBELL moved to fill the first blank with "three," and the second with "twelve."

The clause was adopted and the amendments were agreed to.

On the fourth clause,

Hon. Mr. ALMON suggested that a surgeon should not be punished for being present at a prize fight. He might be there to save life, or to put a stop to the fight. In the laws against duelling, so far as he knew, there was no punishment provided for the surgeon who might be present at the encounter. A surgeon was always present when a soldier was flogged, and, in the same way, his attendance might be necessary at a prize fight.

Hon. Mr. BROUSE said that a surgeon who might not be aware that a prize fight was going on might be summoned to attend it professionally. He should be treated as an ordinary spectator.

Hon. Mr. ALLAN said it was quite clear that to incur the penalty he must be present as one of the parties specially to attend the fight.

Hon. Sir ALEX. CAMPBELL said that the presence of a surgeon at a prize fight was not so important as in the case of a duel. There was not the same danger to life. If a surgeon attended a prize fight in the same capacity as an umpire or backer, he sanctioned it by his presence, and should be punished.

Hon. Mr. POWER thought that the surgeon stood in an entirely different position from the other parties. The propriety of punishing a reporter would be doubtful only one of the objects of these prize fights was publicity in a certain way. And if a reporter was allowed to attend, his presence would encourage the fight, but he failed to see how the presence of the surgeon could lend any such encouragement. While prize fights were not so fatal as the old fashioned English and Irish duels, they were frequently attended by more serious consequences than duels on the continent. It was not uncommon for one of the parties to a prize fight to die from the effects of the punishment he received. A case of that kind had occurred recently in New Jersey. The presence of a surgeon would have a tendency to prevent the fight from going so far.

Hon. Mr. MILLER did not think there was any analogy between the attendance of a surgeon where punishment by flogging was imposed, and his attendance at a prize fight. In the one case the punishment was inflicted under the law; the other was in direct violation of the law. There was no reason why the surgeon should be exempted from punishment for encouraging a prize fight any more than anyone else. If he should be called in professionally, it would be at the termination of the fight, because an injury which would render his presence necessary would terminate the encounter. To exempt the surgeon would be to encourage those encounters which the Bill was designed to prevent.

Hon. Mr. KAULBACH was in favor of allowing the clause to stand as it was. The very fact of permitting members of a highly respected profession to be present at those brutal exhibitions would be to encourage them, and almost render them respectable.

The clause was adopted, and the blanks were filled up by inserting in the first "fifty," in the second "five hundred," and in the third "twelve."

The fifth clause was adopted: the blanks were filled up by inserting in the first "fifty," in the second "five hundred," and in the third "six."

On the sixth clause,

Hon. Sir ALEX. CAMPBELL said this was entirely new, it empowered any sheriff, chief of police, or any other police officer to arrest any one that he had reason to believe was about to engage as principal in a prize fight in Canada, and to bring him before a magistrate, who should, if satisfied that the suspicion was well founded, require the accused to enter into a recognizance not to engage in any such fight within a year from the date of the arrest; and in default of such recognizance to commit him to jail until he should furnish such sureties. The clause was somewhat unusual, but he considered it necessary to prevent these fights taking place. The men who were likely to engage in such encounters were very few and were well known, and there could be no danger to Her Majesty's peaceable subjects in enacting this clause. He moved that the first blank be filled up by the words "one thousand," and the second by inserting "five thousand."

Hon. Mr. MILLER thought this was going very far. In every part of this country there were magistrates within easy reach, and it would be better if a police officer had reason to believe that any person was about to engage in a prize fight in violation of this law, to go before a magistrate and submit his reasons, and if the magistrate thought them well founded this power should be vested in him. He thought it was very summary.

Hon. Sir ALEX. CAMPBELL admitted that it was summary, but a summary process was necessary, and this was the provision which had been adopted in some States of the neighboring Union. He laid great stress on the fact that it only pointed to persons who might be engaged as principals in prize fights, of whom there were very few in the country.

The motion was agreed to, and the clause was adopted.

The remaining clauses of the Bill were adopted.

Hon. Mr. FERRIER, from the Committee, reported the Bill with amendments, and asked leave to sit again.

The Senate adjourned at 4.20 p.m.

THE SENATE.

Wednesday, December 22nd, 1880.

The Speaker took the chair at 3.25 p.m.

Prayers and routine proceedings.

PRINCE EDWARD ISLAND RAILWAY.

MOTION.

Hon. Mr. PELLETIER, in the absence of Hon. Mr. HAYTHORNE, moved :—

"That an humble Address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House :—1st. Copy of all correspondence or telegrams which may have passed between the Railway Department and the manager or other officer of the Prince Edward Island Railroad, having reference to an accident which occurred during the month of August last, between the York and Suffolk stations of that railroad. 2nd. Copy of the minutes or other record of any inquiry which may have been instituted as to the causes of said accident, the names of witnesses examined, and minutes of their evidence. 3rd. A return of the number of new sleepers or ties used on the said railway since the occurrence of the accident referred to, together with cost of same; also, a return showing the amount expended in repairing all damages caused by said accident."

The motion was agreed to.

THE PRINTING OF PARLIAMENT.

SECOND REPORT OF THE COMMITTEE.

Hon. Mr. SIMPSON moved the adoption of the second report of the Joint Committee on Printing. He explained that it recommended the printing of a number of returns called for last session.

The report was adopted.

BETTER PREVENTION OF CRIME BILL.

SECOND AND THIRD READINGS.

Hon. Sir ALEX. CAMPBELL moved the second reading of Bill (D) "An Act further to continue in force for a limited time 'The Better Prevention of Crime Act 1878.'" He explained that it was intended to continne for another year the Act under which persons might be searched for arms.

The motion was agreed to, and the Bill was read the third time and passed, under a suspension of the rules.

PRIZE FIGHTING BILL.

IN COMMITTEE.

The House resumed, in Committee of the Whole, the consideration of Bill (A) "An Act respecting prize fighting."

Hon. Sir ALEX. CAMPBELL said it was understood, when the Committee rose yesterday, that he was to have an amendment to the first clause drafted so as to define more accurately what a prize fight was. He proposed, instead of an amendment to the first clause, to move that the following be added as a new clause to the Bill :—

"If, after hearing evidence of the circumstances connected with the origin of the fight, or intended fight, the person before whom a complaint is made under this Act is satisfied that such fight, or intended fight, was *bonâ fide* the consequence or result of a quarrel or dispute between the principals engaged, or who intended to engage, therein, and that the same was not an encounter or fight for a prize, or on the result of which the handing over or transfer of money or property depends—then such person may, in his discretion, discharge the accused, or impose upon him a fine not exceeding twenty dollars."

This did not expose the Crown to the necessity of proving that a bet, or prize, or money depended upon the result of the fight. It threw the burden of establishing that on the defendant. If he could prove that it was not a fight on which money or bets depended, then he might be discharged or fined, in the discretion of the magistrate.

Hon. Mr. MILLER said that on the whole he was satisfied with the amendment.

Hon. Mr. CORNWALL would prefer to have the definition of a prize fight appear in the first clause. He thought that in many cases our legislation was carried too far, and might be inconvenient to innocent persons, as in the Pool Selling Bill and the Gambling on Railways Bill. Such measures, as a rule, were brought before Parliament by persons who made hobbies of them, and members generally, seeing the good objects in view, did not oppose them.

Hon. Sir ALEX. CAMPBELL said that in this case no person had a hobby, but the legislation was suggested by actual occurrences which had taken place on the shores of Lake Erie last summer. The amendment, which he had moved was the best, perhaps the only way to confine this Act to persons engaged in a prize fight.

Hon. Mr. SCOTT thought it unnecessary to define what a prize fight is. The judicial officers might be trusted to decide that. He objected to this amendment because it conveyed the idea that Parliament did not at all disapprove of a "square stand-up fight," as it was called, between man and man. It gave the magistrate discretion to fine or discharge the parties to a fight unless they were engaged in a prize fight.

Hon. Mr. MILLER, in reply to Hon. Mr. Cornwall's objection, said any criminal enactment placed on the statute books might prove inconvenient to innocent parties. It was an inconvenience which law-abiding people must risk for the security of the public. With regard to the objection raised by the hon. Senator from Ottawa, he thought that cases might arise in which it would be the duty of the magistrate to discharge one of the parties to a fight. For instance, suppose a police officer should find a man defending himself from assault, would it be just to fine him for defending himself?

Hon. Mr. SCOTT said his remarks applied to cases where parties fought according to agreement.

Hon. Mr. MILLER thought that either this amendment, or something like it, should be added to the Bill.

Hon. Mr. CORNWALL considered it a hardship that an innocent man should be liable to be arrested on a serious charge and imprisoned for twelve months.

Hon. Sir ALEX. CAMPBELL said there was no danger of that inconvenience. In the first place, the Act was only to operate against prize fighting, which it was designed to suppress. It was possible that parties might be arrested who had no intention of engaging in a prize fight, but on proving what their intention was they could not be convicted. In reply to the objection that discretionary power should not be given to magistrates to discharge parties accused of participating in a fight, he thought that there were circumstances under which punishment ought not to be inflicted. For instance, in the case of a fight between school boys, the magistrate should have the discretion to dismiss them with a caution not to repeat the offence. The amendment might be adopted, and the Bill re-printed as amended for further consideration at the third reading.

The amendment was adopted.

Hon. Mr. FERRIER, from the Committee, reported the Bill with amendments, which were concurred in.

The Senate adjourned at 4.10 p.m.

THE SENATE.

Wednesday, January 12th, 1881.

The Speaker took the chair at 8 p.m.

Prayers and routine proceedings.

NEW SENATOR.

The Hon. W. G. HOWLAN was introduced, and, having taken and subscribed the oath of office, took his seat.

QUALIFICATION OF SENATORS.

The Speaker presented to the House a return made by the Clerk of the Senate, in conformity with the resolution of the Senate of the ninth of April, 1880, of the Senators who had made and subscribed the renewed declaration of their property qualification up to and including the 28th of December last.

Hon. Sir ALEX. CAMPBELL said that this was a return of those members of the Senate who had made the declaration in accordance with the rule of the House. He was informed by one of his colleagues, Mr. Girard, that he had arrived too late to make the declaration as required by the rule, within twenty days from the opening of the session, and he thought it better and safer that a motion should be made to allow him to comply with the rule.

Hon. Mr. MILLER thought that no leave would be necessary on the part of the House. Any Senator who had not been able to be present within the first twenty days of the session should be allowed to make the declaration on his arrival.

Hon. Sir ALEX. CAMPBELL said that the rule was absolute, and it was so regarded by the Clerk, who thought his authority was at an end after the twenty days, unless instructed by the House to permit the declaration to be made. As it was an important matter, and one that might be attended by serious consequences to the House hereafter, it would be better to establish a precedent. He, therefore, moved that the Clerk be authorized to take the declaration of the hon. Senator from St. Boniface.

Hon. Mr. DICKEY assumed that it could not have been intended that any gentleman who was prevented, by stress of weather or other unavoidable reason, from being present within the twenty days, should be put in a false position by his absence. If the hon. gentleman (Mr. Girard) should now make the declaration, he would come within the spirit, if not the letter, of the resolution. However, he supposed the motion was made in order that the House might proceed with the greatest possible care, and that no objection could be raised hereafter, that an exception was made in favor of any particular person, unless a reason was given, and the reason in this case seemed to him to be quite sufficient.

The motion was agreed to.

AN EXPLANATION.

Hon. Sir ALEX. CAMPBELL — I desire, before the Orders of the day are called, to make an explanation with reference to an item which appears in the Public Accounts for the fiscal year ending 30th of June last. I was then Minister of Militia. The item occurs at page 57 of vol. 2, where I find charged, as having been paid me for cab hire, the sum of $183.70. This item should have read "travelling expenses and cab hire." On inquiry, I find that the omission of the words "travelling expenses" was the error of the clerk who copied the statement for the printer. Of the whole amount so paid to me, some $172 were for travelling expenses on two occasions on public business, and the remainder only for cab hire.

PRIZE FIGHTING BILL.

THIRD READING.

Hon. Sir ALEX. CAMPBELL moved the third reading of Bill (A) "An Act respecting Prize Fighting." He said that when this Bill was last before the House an amendment had been introduced to make it clear that it did not cover ordinary fights, and to confine it strictly to prize fights. That amendment was as follows :—

> "If, after hearing evidence of the circumstances connected with the origin of the fight, or intended fight, the person before whom a complaint is made under this Act is satisfied that such fight or intended fight was *bona fide* the consequence or result of a quarrel or dispute between the principals engaged, or who intended to engage therein, and that the same was not an encounter or fight for a prize, or in the result of which the handing over or trans-

fer of money or property depends, then such person may, in his discretion, discharge the accused, or impose upon him a fine not exceeding twenty dollars."

He thought that this amendment met the case, and the only suggestion he would make further was that the fine should not be limited to $20, but that the magistrate might, even if the case was not one of prize fighting, impose a higher fine in his discretion. He would suggest that the words "not exceeding $50" be substituted for "$20." In order to show the sort of prize fighting which took place sometimes in this country, and which this measure was designed to prevent, he would read the following paragraph, which he had clipped from a newspaper the other day:—

"PUGILISTIC.

"New York, January 10.—Dick Holliwood, the ex-feather weight champion pugilist, today accepted the challenge issued by Dick Goodwin, better known as Spring Dick, of Cincinnati, to fight for $2,500, and the feather weight championship of America. Holliwood agrees to fight Goodwin either within a hundred miles of Buffalo, in Canada, or within a hundred miles of Pittsburg or Cincinnati."

It would be observed that the fight was arranged and the betting took place in New York, but the fight was not to take place in that State, where the laws were sufficient to prevent such combats, but in Canada, or Pennsylvania or Ohio. It showed the necessity of taking such precautions as this legislation furnished to prevent such fights coming off in this country. The amendment, as originally contemplated, would, perhaps, have impaired the usefulness of the Bill by making it very difficult to secure a conviction, but as the amendment was now worded, the onus of proving that the meeting was not for a prize fight, if the circumstances attending it indicated that it was, rested with the accused, and the just and useful operation of the Bill would not be interfered with.

Hon. Mr. ALMON said that he had objected to the Bill as originally framed, not because he approved of prize fighting, but because it would have tended to put down the common mode of settling quarrels which he thought a very much better way than with the bowie knife or stiletto. As to the surgeon being present, he still held the views which he had expressed when the Bill was in committee. He might be summoned to a prize fight in his professional capacity, and his presence would have a tendency to stop the fight. Nobody had ever heard of a surgeon being punished for being present at a duel. However, he would waive that objection, the other amendment having been made.

Hon. Mr. REESOR asked whether a party who should, in a combat that was not a prize fight, inflict serious injury on another, would be liable to no heavier punishment than a fine of $20?

Hon. Mr. MILLER — No; the law is open besides that.

Hon. Mr. REESOR (continuing) — Supposing very serious injury did result, of a character that would make the party inflicting it worthy of punishment in penitentiary, or of being heavily fined, it seemed to him that a fine of $20 or $50 would be too light.

Hon. Sir ALEX. CAMPBELL said that a party who maimed another intentionally would be liable to be sent to penitentiary, and if the injuries resulted in death, he would be liable to be hanged. The existing provisions of the law were not to be interfered with by the Bill, nor did he think that $50 was to be the limit of the punishment. On the contrary, under the circumstances mentioned by the hon. gentleman, the other punishment might follow.

Hon. Mr. DICKEY quite agreed with the hon. the Postmaster-General that there was no such difficulty as regards this clause as was apprehended by the hon. gentleman from Kings, as the parties could be indicted separately for the greater offence, and this Bill in no way limited such a course, if parties thought fit to resort to it. Besides, the party who suffered injury under such circumstances, if he were not in the wrong himself, would have a civil remedy for damages. The principle of the Bill was to prevent prize fighting, and it was because some hon. gentlemen, himself amongst the number, thought it might be construed so as to apply to parties who casually quarrelled and fought it out on the spot that he had suggested amendments might be made so as to bring it more clearly within the scope of the reason that the hon. the Postmaster-General gave for introducing the Bill — that was, to put down the scandal of prize fighting. The extract the hon. minister had read to-day showed very strongly the necessity that existed for legislation of this kind. The clause proposed to-day was identical with the one that had already been agreed upon in committee, and that clause was the result of a compromise; therefore his hon. friend would see that, while they should not provide for aggravated cases because there was a remedy already, they should legislate in such a way as to prevent the recurrence of prize fights in this country. Then, coming to the question of casual quarrels, they had to provide a simple remedy, an additional or alternate remedy to those existing to make the parties liable by fines. That was the whole case in a nut-shell, and he, therefore, thought it was hardly necessary to go into the question whether the fine should be $20 or $50. He thought they should agree to the amendments made in Committee, especially as they now had the admission of the mover of the Bill that there was a remedy for a case where a party suffers a severe injury. The law gave a criminal and a civil remedy also for the party injured, therefore it would be just as well to leave the Bill as reported to the House. The clause, as amended and passed in committee, had removed entirely his objection to the Bill, and he was quite willing that it should pass with that amendment.

Hon. Mr. SCOTT thought, personally, that the Bill was a very good one without the ninth clause, and would very much rather have seen that clause omitted, because he felt that it was an interference with the criminal law of the land. They were, by this clause, giving special directions to the magistrate or judicial officer who undertook to dispose of a case of this kind, apart from the criminal law of the land, and he did not agree with hon. gentlemen who said that a man might be cumulatively punished. Under the law of the land, if a man was tried and punished, or tried and acquitted, he could not be tried again for the same offence.

Hon. Mr. DICKEY said he had not stated that that was a cumulative remedy at all. He had stated that if the parties did not care to take the remedy under this statute the law already gave them another remedy.

Hon. Mr. SCOTT said the party had his remedy by indictment, provided he did not take it under this 9th clause; but if he chose to take it under the 9th clause, and have the matter adjudicated on by the magistrate or police officer, that judicial officer could either dismiss the case or impose a limited fine and take it entirely out of the criminal code, which, he thought, would be very unfortunate. He would prefer to see that clause struck out altogether, as he could see no embarrassment arising from the Bill as it stood before. It was not possible that any judicial officer could make any mistake as to its meaning. The question of prize fighting was one that everybody in the community quite understood, and it would be perfectly clear that an ordinary quarrel between two men resulting in a fight on the spot could not be called a prize fight. He had known what prize fights were, and had seen them reported in the papers, and it had not occurred to him that there could be any confusion. He thought it was rather straining the language to suggest there was a difficulty in the interpretation of the Bill. To his mind it was perfectly clear and satisfactory as it was, and he very much feared that they were going to complicate it by leaving the 9th clause in. It seemed to him to be rather directory to the functionary who tries cases of that kind to say acquit the parties or impose a fine. Certainly if he enters upon the trial of the case and disposes of it, no matter what the injury might be, the party could not be tried again.

Hon. Sir ALEX. CAMPBELL said that the hon. gentleman seemed to forget that it was not the view which he (Mr. Scott) took of a prize fight, nor his sense of how clear it might be what a prize fight was, but how it would strike the magistrate.

Hon. Mr. SCOTT — I see no difficulty about it at all.

Hon. Sir ALEX. CAMPBELL said that was because the hon. gentleman knew what a prize fight was; but this Bill proposed to define it, and said that it was "an encounter, or fight, with the fists or hands, between two persons who have met for such purpose by previous arrangement made by or for them." It was intended to define precisely what a prize fight was, but the hon. gentleman must dismiss what was in his own mind, and look at the language of the clause and say whether it did not introduce uncertainty into the measure. It was urged with considerable force that the language used might lead to very great difficulty in construction, because a fight between two persons might be the result of previous agreement and yet not be really a prize fight; as, for instance, two persons might quarrel in a house, and say, "let us go out and fight it out." There would be a fight by previous engagement, and yet it would not be a prize fight. Then, if it rested with the Crown officer to prove, as the first amendment suggested, that there was money depending on the result of the fight, it would be very difficult to secure a conviction, since the engagement for the fight might have been made in another country — as in the case to which he had referred—and it would be difficult to prove that there was any prize or money depending on the event. Under the circumstances, it seemed to him that, as objection had been made, with a good deal of reason, to the language of the Bill, it was best to try and get over the difficulty in some way or other, and he thought that the 9th clause did get over it very well, and, to his mind, was a satisfactory change. He thought, however, that it would be better to increase the fine. It was true the clause was the result of a compromise, but the use of the word "twenty" was not, but was inserted at his (Sir Alex. Campbell's) suggestion, as a sufficient fine. It had since occurred to him, however, that it might not be sufficient in all cases, and that was why he now suggested that a larger amount should be named.

Hon. Mr. RYAN wished to know if a fight with gloves between two professional prize fighters would bring them within the penalties imposed by this Bill?

Hon. Sir ALEX. CAMPBELL — I do not think it would.

Hon. Mr. RYAN thought that it should be better defined; the Bill should state whether it did or did not apply to such fights. Really all the science could be displayed which a great many people go to see in a prize fight, and a good deal of punishment could be inflicted, in a fight with gloves.

Hon. Mr. REESOR thought magistrates would be liable to be misled by the language of the 9th clause. The object of this legislation was to prevent prize fighting and not to punish other fights which were not of that nature. That object would be met in the latter part of the 9th clause if, instead of saying such person may, in his discretion, be discharged or a fine imposed, it were provided that, in such case, the parties shall not be liable to punishment under this Act. That would leave him open to punishment under the existing laws of the country — under the common law or statute law. What the magistrate would want to know was whether that would be the limit of the punishment that could be applied, whether it was twenty dollars or fifty dollars, or any sum between those amounts. If the Bill simply declared that a party fighting, though not engaged in a prize fight, should not be liable to punishment under this Act, it would meet the case, and remove the liability of the magistrate being misled by the language of the clause as it now stood.

Hon. Mr. MILLER could readily understand how this view of it might be taken by the non-legal mind, and he had no doubt it presented itself to the hon. gentleman with considerable force. He concurred in the opinion of the hon. leader of the Opposition that if a party should, under this law, be tried and punished, no further charge could be brought against him for the same offence; and if the crime was of so grave a character as to make it desirable that the party should not be punished under this law, he could be tried under the statute law or the common law of the country. He did not think that the objections which had been raised possessed much force, because this remedy was cumulative — it was in addition to the punishments which could now be enforced under acts on the statute book, for breaches of the peace, or injuries done to the person. The necessity of having some definition of what a prize fight is, and what is not included in a prize fight, was that, from the moment you attempted a definition of it, it was just possible that if the law was merely directed against prize fighting, without attempting to define what was not meant by a prize fight, it would give more trouble to the judiciary to decide the point. With this definition, however, in the 1st clause, he thought it was almost imperative that there should be some such clause as the 9th, in order to show what breaches of the law were or were not intended to be included within the scope of this Bill.

Hon. Mr. CORNWALL thought there was no necessity for defining what a prize fight was, and if the 1st clause were taken from the Bill, the 9th clause would disappear with it, and the matter would be perfectly plain, and then it would be left to the judiciary to decide when a case came before them whether a prize fight had taken place or not, and in such hands it would be perfectly safe.

Hon. Sir ALEX. CAMPBELL did not think that would be wise. Suppose a case came before a country magistrate, and the question was whether it was or was not one of prize fighting, the first thing that would occur to him would be to inquire for what prize the fight took place. Take the case which he had read from a newspaper: the fight was arranged in New York, and was to take place in Canada. Suppose that case were brought before a magistrate. He would read in the newspaper that $2,500 depended on it, but that would not be enough; he must have that proved. How was he to find that out when the fight was arranged at New York by people who knew how to keep their own counsel? Itwould most likely prevent a conviction.

Hon. Mr. MILLER thought it would be very unwise where the Legislature could define what they meant by a crime to throw that portion of the duty of legislation upon the judges. It was desirable to define, as near as possible, what a prize fight was.

Hon. Mr. DICKEY said that the difficulty of proving that the parties met for the purpose of engaging in a prize fight was increased by the 1st clause, because the magistrate would be tied down by the definition contained in it, that a previous arrangement must be shown. If that clause were left it would intensify the difficulty suggested by the Postmaster-General by requiring proof that the fight had been previously arranged between the parties. Under the circumstances, he thought the suggestion made by the hon. Senator from Ashcroft (Mr. Cornwall) had some weight. If it was clear that a prize fight was a fight for money or prize, or that bets depended on the result, it was better not to tie the hands of the magistrates and increase the difficulty of convicting and punishing the offender by leaving in the 1st clause. It might be said that they could not come there without a previous arrangement, but nothing was inferred in construing a law creating a crime; proof was necessary, and the 1st clause increased the difficulty of furnishing proof.

Hon. Mr. MILLER did not think that the point raised by his hon. friend could have the force it would appear at first sight to have, namely, the difficulty of showing a previous arrangement. The object of this Bill was to prevent fights for a prize. If it could be shown that the encounter was a fight for a prize, or for any object in the nature of a prize, a previous arrangement would necessarily have to be inferred from the proof of such facts.

Hon. Sir ALEX. CAMPBELL did not think there was any difficulty about the proof; the 9th clause made it feasible for the magistrate to deal with. A prize fight, as defined in the Bill, was a meeting under a previous arrangement. The hon. gentleman from Amherst (Mr. Dickey) had asked why not describe it in that very clause. That was the very first suggestion, but the language which he had suggested would have made it imperative on the prosecuting officer to establish that a prize had been fought for or wagers had been made. There was no difficulty in proving now that two persons had met by previous arrangement, as the clause stood. Where a prize fight was found to be in progress, and two or three hundred persons were assembled on the shore of one of the lakes of Ontario, for instance, there was no difficulty in establishing that the encounter was the result of a previous arrangement, and no magistrate could have any hesitation about it. But, if by any chance, a fight took place by previous arrangement which was not a prize fight, then, under the 9th clause, the magistrate could deal with that offence also and impose a penalty not exceeding fifty dollars. The Bill seemed now to be in the shape they wished to have it, inasmuch as if a prize fight did occur, it could be dealt with as a prize fight; the parties could be arrested at once, and if they had no excuse to offer they could be punished. If the fight was not a prize fight, the parties establish that and the magistrate hears the case and dismisses it if he thinks fit. The onus of establishing that it was not a prize fight was left with the accused. He thought the Bill was in such a shape that a magistrate could with safety deal with prosecutions under it, and would not be obliged to procure evidence which would be very difficult to obtain, and would not be under the necessity of considering an ordinary fight an offence under this Act.

Hon. Mr. ODELL said that there was one point on which he would like an explanation from the hon. Postmaster-General with reference to the 9th section. This Bill professed to be one to prohibit prize fighting and punish all those persons connected with it. Then the 9th section proceeded to make an exception in the case of a *bona fide* fight, the result of a quarrel or dispute, where the magistrate was given discretionary power to discharge the accused, or impose upon him a fine not exceeding twenty dollars. It appeared to him the proper way would be to leave out the words "may, in his discretion, discharge the accused," and then, if any further question arose, it could come up under the existing laws.

Hon. Mr. SCOTT said that the words "discharge the accused" offended him very much indeed. It was language he took particular exception to, because, in the first place, it was wholly unnecessary, and in the next place it was a sort of justification for a magistrate to take that course if he was of the opinion that the party should not be convicted. It was a new feature in criminal legislation that they should direct a magistrate to discharge an accused person; it was for the magistrate to try him. It was all predecated on the assumption that there had been a quarrel, and it was not now recognized in our law that any kind of quarrel could be moral or just in any sense.

Hon. Sir ALEX. CAMPBELL — It is more than a quarrel; there has been a fight.

Hon. Mr. SCOTT said they did not recognize such things. Whatever might be thought of boys fighting, under certain circumstances, no one wished to place on the statute book a sort of justification that two individuals may quarrel and fight and the magistrate may discharge them; certainly it was not proper to indicate to the magistrate that he should discharge them; he had the right to discharge the accused now if he thought fit to do so. It would be better to strike out these objectionable words. He did not think any intimation could be found in the whole criminal code that an officer might discharge an accused party. To his mind these words conveyed an intimation to the magistrate that the Legislature did not think very seriously of a quarrel or fight between two individuals where it was not a prize fight. The magistrate might be justified in discharging a party accused of fighting, but it should be left to the magistrate himself, and not hinted to him.

Hon. Mr. KAULBACH said that the intention of the Bill was that, when the offence was of a trifling nature, the magistrate might have the power to impose a light fine or discharge the party. He thought that the courts should have such discretion, and that the clause should stand as it was.

Hon. Mr. MACFARLANE asked how a twenty dollar fine could be collected from an individual who had not the money.

Hon. Sir ALEX. CAMPBELL — In the ordinary way.

Hon. Mr. MACFARLANE said that the object of the Bill was to prevent parties coming from the United States to this country for the purpose of engaging in a brutal fight. That object could be attained by putting this law on the statute book. At present they came to this country simply because they knew there was no legislation to prohibit them. If it was known, as it soon would be, to those people that Canada had provided means for punishing parties engaged in prize fighting, he thought there would not be many opportunities of putting the law in operation ; but, if it was proposed to fine that class of people, it would be found difficult to collect the money from them unless they could be imprisoned until they paid the fine.

Hon. Mr. SCOTT — You have power to fine and imprison.

Hon. Sir ALEX. CAMPBELL said that there was a general statute which provided how fines should be collected. He thought the objection taken by the hon. Senator from Ottawa was rather hypercritical, but he did not cling to the words "he may be discharged," and he had no objection to strike them out. It followed, as a matter of course, that the magistrate could discharge parties if he thought fit. The power was there, and he did not care much about the language.

The Bill was read the third time.

Hon. Sir ALEX. CAMPBELL moved that the word "twenty" in the 9th clause, be struck out, and that the word "fifty" be substituted therefor.

The amendment was adopted.

Hon. Mr. MILLER suggested that there should be an alternative punishment, so that a party who could not pay a fine could be imprisoned.

Hon. Sir ALEX. CAMPBELL — The general law provides for that.

Hon. Mr. MILLER — But if you punish him under this section, you will not have the general law to fall back upon.

Hon. Sir ALEX. CAMPBELL said that the Bill had been prepared in the Department of Justice, and he had no doubt that the general law provided for the case referred to.

The Bill was then passed.

NAVIGABLE WATERS CROSSED BY RAILWAYS BILL.

DISCHARGED.

The Order of the day being called for the second reading of Bill (C) "An Act to amend chapter 15, of 39 Victoria (1876), intituled: 'An Act to make provision for the crossing of navigable waters by railway and other road companies incorporated under Provincial Acts.'"

Hon. Sir ALEX. CAMPBELL moved that the order be discharged, as he understood that the provisions he had intended to introduce in this Bill would be found in a railway bill that it was the intention of the Minister of Railways to submit to Parliament.

The motion was agreed to and the order was discharged.

QUALIFICATION OF SENATORS.

Hon. Sir ALEX. CAMPBELL — Since I mentioned the case of Hon. Mr. Girard, at the opening of the House, another colleague, Hon. Mr. Grant, has arrived, and the Senate will, I am sure, allow his name to be included in the resolution directing the Clerk to accept his declaration.

The suggestion was agreed to.

BILL INTRODUCED.

Bill "An Act still further to amend 'The Patent Act, 1872.'"—(Sir Alex. Campbell.)

The Senate adjourned at 9.20 p. m.

THE SENATE.

Thursday, January 13th, 1881.

The Speaker took the chair at 3.30 p.m.

Prayers and routine proceedings.

THE WILLIAMSBURGH AND GALOP'S CANAL.

INQUIRY.

Hon. Mr. BROUSE inquired :—

"Whether the Government intend to grant additional water power for manufacturing purposes on the Williamsburg and Galop's Canal, in accordance with the request made by certain residents of Morrisburg last spring."

Hon. Mr. Macfarlane.

He said: In giving notice of the motion, I will offer a few remarks in order to explain what I want. The two western rapids on the St. Lawrence are surmounted for navigation purposes by canals. They are short links, and at the foot of each of those links is situated an enterprising village, the first known as Iroquois and the second as Morrisburgh. At these locations the Government have granted certain water powers for manufacturing purposes. The inhabitants of Morrisburgh last year sent a large and influential delegation to the Government, asking if additional water power could not be granted, also for manufacturing purposes. That delegation was composed of men of wealth and enterprise, and it was supposed that, if the Government could grant this additional power asked for, that many manufactories would be constructed. I understood at that time that the Government would take the matter into consideration, and would appoint an engineer to look over the work, and see if such power could be granted without injury to the public works. A competent engineer was sent — Mr. Rubridge — a gentleman who understands the navigation and water of the St. Lawrence probably better than any other engineer in our country, and I understand he did make a favorable report. It was expected that the Government would have granted additional water power, but up to the present time no such grant has been made. I, therefore, on behalf of the citizens of that section, have brought this question before this honorable House to make the inquiry of which I have given notice.

Hon. Sir ALEX. CAMPBELL — In answer to my hon. friend's inquiry, I beg to say that the report of the engineer whose name he has mentioned was laid before the Chief Engineer of the Department, and it now rests before that officer for decision. The Minister of Railways and Canals hopes to have his early decision on the subject, and he will then decide whether or not he will be able to increase the water power on the Williamsburgh Canal.

Hon. Mr. HOPE — As I understand it, the canals were built for the purpose of navigation, and not built as mill ponds for wealthy individuals for the purpose of running machinery, and I hope the Government will grant no additional privileges on those canals. There is little enough water for navigation, as it is, in the canals, and none to spare for manufactories. They draw down the levels and create a current in the canals. They are adverse, hostile and injurious to navigation, and ought to be discountenanced by the Government. I understood from the Government last session that they intended to grant no more power on the Lachine Canal, because the powers that had existed previously — before the completion of the new works—were exceedingly injurious to navigation. They created a rush like a mill race, and it was exceedingly difficult to navigate through the canal. What was wanted was slack water navigation, not the velocity of a mill current to navigate through. There are complaints made every day of these St. Lawrence canals, by sailing-masters, with regard to the trouble they experience in getting through with these very mills. This summer I have heard complaints from shipmasters of the delay and difficulty in getting through, from the mills drawing down the levels. They should not be allowed to draw them down; but they do it. If it was the surplus water they used nobody could object, but they draw down the levels and make use of the water that should be kept expressly for the purpose of navigation. I hope the Government will see that no further power is granted to any mill-owners on those canals for any purposes whatever.

Hon. Mr. ALMON — Perhaps the object which the hon. Senator from Hamilton has in view would be best subserved by abolishing the N. P.; the manufactures would then die out and give no further trouble.

Hon. Sir ALEX. CAMPBELL — The question which has been raised by the hon. Senator from Hamilton is the very one which the engineers are studying — whether or not any increased water power can be given on the canals without interfering with the navigation. The first duty of the Government is to preserve the navigation, and I have no doubt (and I hope the hon. gentleman has no doubt) they will not neglect that duty.

Both of the engineers have been studying the question whether or not, without impairing navigation any additional water power can be given on the canal.

The subject then dropped.

PRESCOTT POST OFFICE.

MOTION.

Hon. Mr. BROUSE moved:—

"That an humble address be presented to His Excellency the Governor General, praying that His Excellency will be pleased to cause to be laid before this House, all the correspondence and papers connected with the removal of the post office in Prescott to the Town Hall; also, what the additional expenditure will be yearly in consequence of such removal."

The motion was agreed to.

DOCUMENTARY EVIDENCE BILL.

IN COMMITTEE.

The House went into Committee of the Whole on Bill (B) "An Act to amend the laws respecting Documentary Evidence in certain cases."

Hon. Mr. WARK, from the Committee, reported the Bill without amendment.

The report of the Committee was concurred in.

The Senate adjourned at 3.45 p.m.

THE SENATE.

Friday, January 14th, 1881.

The Speaker took the Chair at 3.30 o'clock.

Prayers and routine proceedings.

DOCUMENTARY EVIDENCE LAW AMENDMENT BILL.

THIRD READING.

Hon. Sir ALEX. CAMPBELL moved the third reading of Bill (B) "An Act to amend the law respecting documentary evidence in certain cases."

The motion was agreed to, and the Bill was read the third time and passed.

PATENT LAW AMENDMENT BILL.

SECOND READING.

Hon. Sir ALEX. CAMPBELL moved the second reading of Bill (E) "An Act still further to amend 'The Patent Act, 1872.'" He said: The law as it now stands in reference to patents enacts amongst other things that applications for the renewal of a patent must be made before the expiration of the period named in the patent. It has so happened in several cases enumerated in the schedule attached to this Bill that the application to renew came too late. In one or two cases the application was absolutely in the post office, but had not reached the hands of the Minister, and the patent therefore lapsed. The other cases were not quite so close as that, but they have all been matters of accident, and the Minister of Agriculture by this Bill proposes to ask Parliament to grant him power to renew those patents, and the Bill is for that object.

Hon. Mr. SCOTT — It may be somewhat important legislation, and it seems to me we are proceeding very much in the dark. It is quite true that we have got the numbers of the several patents that have been allowed to expire and which the patentees desire to revive; but it would be more satisfactory if we knew what the subjects of those patents are, as the numbers give us no indication. A party has, as I understand it, the right to take a patent for five, ten or fifteen years. He pays a less sum to the Consolidated Revenue for the shortest period — five years — and it is a matter of speculation with him whether his patent is going to succeed. He allows the five years to lapse without renewing it, and it is then open to the public to use it. In some of those cases other parties may have commenced to manufacture the articles covered by those patents. It would be a very improper thing for us, after a party deliberately allows his patent to expire, and his invention is being manufactured as an article in common use in other establishments in the country, to step in and revive a right that he had intentionally allowed to lapse. Of course I have given the matter no thought or consideration except during the few moments my hon. friend was speaking, but these are difficulties that at once suggested themselves to my mind, therefore I should like to know, and I hope my hon. friend will, before the Bill proceeds another stage, give us the subjects of those several patents. We could form some opinion in that way about them. Our own general knowledge would probably enable us to form proper conclusions as to whether it is a matter we are justified in interfering with. It may be that in reviving some of those lost rights we would be interfering with the rights of other parties. If a man chooses to allow his patent to expire at the end of five years, instead of extending it to fifteen years — of course after fifteen years it is open to anybody —and other people take it up, under the proper belief that it is quite free to them to manufacture the article themselves, I do think in that condition of things it would be highly improper for the Legislature to revive the right, and to give it a retroactive effect. If a party, before taking out his patent at all, is so slow in proceeding that his invention becomes known, or assuming that it is borrowed from another country, and some one else manufactures it before he takes out his patent here, that person continues to possess the right, notwithstanding the issue of the patent. If any such right has been acquired in the interregnum between the expiration of the patent and the revival of it by this legislation, of course the rights of those parties ought to be amply protected. I think it is a matter worthy of some consideration, and it would probably enable us to come to more just conclusions if we knew what the subjects of these patents are. The greatest publicity ought to be given to this measure, as it is an extraordinary special privilege we are giving to parties who through their own default allow their patents to expire. Take the case that the hon. gentleman (Sir Alex. Campbell) has suggested, where a party had applied for a renewal and was a day late. Possibly it would be right in that case to revive the patent; but supposing three or six months are allowed to pass, would it be right to renew his patent? He had the right to take it out in the first place for fifteen years, but because it would cost more he only took it for five, as it was an experiment. He has got to take the consequences unless he complies with the regulations of the Department. He ought not to have the privilege of revising it by legislation. However if the particular interests affected were laid before the House, we could probably discuss it more intelligently.

Hon. Mr. MILLER — This Bill was not intended to revive these patents absolutely, but simply to vest in the Minister of Agriculture the judicial power of renewing patents wherever he thought the circumstances justified it. As that is the case, of course the Bill itself will not, by its passage, revive these dead patents. But the other objection suggested by the hon. leader of the Opposition, I think, is intended to be provided for by the Bill. The third clause is as follows :—

"Nothing in this Act contained shall, in any way, affect the right of any person who, previous to the granting of the original patent, as provided by section forty-eight of "The Patent Act of 1872,"—or of any person who, since the expiration of any of the Patents in the Schedule to this Act mentioned, and previous to the date of the revival thereof under this Act, has purchased, acquired, constructed or made use of the invention forming the subject of such patent, or revived patent, to construct, use or sell the specific article, machine, manufacture or composition of matter patented, so purchased, constructed, acquired or made use of previous to the date of such revival.'

The very case that my hon. friend speaks of, this clause of the Bill fully meets. It would be a provision that would certainly suggest itself at once to any person giving the subject any attention, that if parties through their own negligence have allowed their patents to expire, and others have come in and invested capital in the use of such patents, as they have a right to do, then the interest thus acquired should not be prejudiced by any legislation of this Parliament. I think it is the intention to make this provision that no injustice can be done in those cases.

Hon. Mr. DICKEY — I took the same view of the third clause as my hon. friend from Richmond, and I have no doubt as to the effect of the clause sufficiently protecting the interests of any persons who had acquired rights previous to the renewal of patents under this Act. But the objection I have to this

Bill goes entirely behind that. I think the Bill is either unnecessary or improper. It is founded in the preamble upon circumstances arising from misapprehension by parties of their rights. Now what is that misapprehension? It says: "Whereas, in certain cases, there has been misapprehension as to the true intent and meaning of so much of section seventeen of 'the Patent Act of 1872.'" Now, what is that section? —and I may say before quoting it that I should be very sorry to criticize it in any hostile way, inasmuch as it appears to have been a Government measure, brought in by the Aministration which preceeded the late Government. It is dated in 1872, and must have been well considered by the Minister of Justice of that day, as it was, no doubt, by the House. What is that section seventeen, which provides for the renewal of patents, where parties take them out for a shorter period than fifteen years? It appears to me that while the phraseology of the clause is not in all cases euphonious, it is quite clear. Section seventeen is as follows:—

> "Patents of invention issued by the Patent Office shall be valid for a period of five, ten, or fifteen years, at the option of the applicant; but at or before the expiration of the five, ten or fifteen years, the holder thereof may obtain an extension of the patent for another period of five years, and after those second five years, may again obtain a further extension for another period of five years, not in any case to exceed a total period of fifteen years in all."

Talk about misapprehension! but to the apprehension of common minds, and to my own apprehension, the meaning of that clause is perfectly clear and intelligible. What are the facts? We find by the schedule appended to this Act that we are asked to legislate in the interests of parties who have slept on their rights for a period of six years. I quite agree with the hon. leader of the Opposition that the schedule gives us no information as to the subject matter of those patents, but the date of the first one is 1869. That was a patent which would expire in 1874.

Hon. Sir ALEX. CAMPBELL. — Not if it was for ten years. It may have been ten years.

Hon. Mr. DICKEY. — It may have been, but we have no information as to that. Here are patents of 1871. If they are for ten years, certainly they have not expired yet, and we are asked to extend them until 1886. So I apprehend those are patents which must have been taken for five years under the Act, giving them the option by paying a small amount of having an extension at the end of five years, which they have not thought proper to avail themselves of; and now, after having considered the matter for six years, they come to Parliament and ask us to put it in their power to apply for an extension, and to give the Minister power to grant it, and of course they will get the extension if this Act becomes law. I am not one of those, as it is well known in all those discussions on the Patent Laws, who favor very much Patent Laws, or the continuance of them, and am not desirous of extending the privileges of those who acquire such exclusive rights. Whatever I may feel on the question of finance, I think there ought, at all events, to be something like free trade in those inventions; and if a party has got a patent for five years, and knows very well that he can get it extended for another five or ten years if he chooses, but does not choose to do so, and sleeps on his rights and remains six years without applying for the extension, I think it is rather too small a subject for legislation in the interest of certain parties. As to what the subjects of a dozen or fifteen patents mentioned in this schedule are I know nothing whatever, but this House ought to know. They may affect rights that even are not provided for in this third section. We can hardly tell by the eagerness of those parties to get an extension what the effect would be. I could hardly conjecture, even if I had the subject of the patent before me; but without any information on the subject it is impossible to forecast what the result in practice might be. I think the Government would do well to consider this matter before they pass the Bill in Committee, for really after all it is special legislation in the interests of the parties effected, who are mentioned in the schedule. After all, what are those alterations of the seventeenth section we are asked to make? They are mere verbal alterations, to make the language a little more classical, but the meaning of the section is perfectly plain, and I do not see why, by this sort of hypercritical legislation, we should amend the phraseology of the clause as a reason for renewing the rights of parties who have long since allowed them to expire.

Hon. Sir ALEX. CAMPBELL — My hon. friend from Amherst is mistaken in supposing that the object of the Bill is to correct the language of the 17th clause of the Patent Act, or that I have any idea of making it more classical or anything of that kind. The object of the Bill is a substantial one—to give to these persons whose patents have expired a renewed term which, by some accident, I suppose, they did not apply for in sufficient time within the terms of the original Act which this is to amend. I do not know what the misapprehensions were which induced the holders of these several patents mentioned in the schedule, not to make their applications within the time prescribed by law.

Hon. Mr. MILLER — They misapprehended the law, I presume.

Hon. Sir ALEX. CAMPBELL — I merely referred to a case which had been mentioned to me by the Minister of Agriculture as the one which induced him to think that some legislation was necessary, as it was in the case I have referred to of a person who intended to apply for a renewal of his patent at the end of five years, and did so, but having posted his application, it did not reach the Department until the very day the patent expired, and was not before the Minister until the following day. There is a case where a man lost his patent by accident, and there is no reason in the world why it should not be renewed. I suppose, without committing myself to the assertion, the other cases are something analogous to that—some misapprehension occurred. I do not think it is intended to renew a patent where a man has, in the words of the hon. leader of the Opposition, deliberately allowed it to lapse and afterwards changed his mind. There is nothing of that kind. I suppose it will turn out that in all those cases the party who has allowed his patent to lapse did not intend that it should, but through some inadvertance, or in some way that will satisfy the committee, did allow it to lapse, and it is only in such cases that it is intended to renew them. I approve of the suggestion that a list of these patents should be submitted to the House, and I shall have one prepared showing what the patents are, the names of the patentees and the subjects of the patents. My hon. friend from Richmond has correctly pointed out that the third section is intended to operate to prevent injury occurring under the circumstances mentioned by the leader of the Opposition. In reading over that clause I thought it did not go far enough, and I have prepared an amendment to it in the same direction, which I intend to submit in committee. My idea is that the third clause does not sufficiently protect those who, either by use of the patent during the time it lapsed, or by purchase from the patentee, had acquired some right from him, and we ought to protect such rights. That is intended to be done by the third section, but I propose to amplify it. If any rights or any users which may have been acquired during the time the patent was in abeyance, are protected, and if it should turn out when the matter comes before the committee that these patentees have lost their rights by any inadvertance, to the satisfaction of the committee. I think everybody will be willing to renew those rights by extending the patents.

Hon. Mr. MILLER — To what committee does the hon. gentleman propose to refer the bill ?

Hon. Sir. ALEX. CAMPBELL — To a committee of the whole House.

Hon. Mr. MILLER — Under the circumstances would it not be well to refer it to some select committee of the House, as it might be necessary to take evidence ? Of course, these are subjects to be considered in committee, and perhaps on evidence.

Hon. Sir. ALEX. CAMPBELL — We will refer it to a committee of the whole House, and if, when the papers are brought down, it should seem advisable to refer it to a select committee, it can be done.

Hon. Mr. SCOTT — This word "misapprehension" may have been introduced in consequence of an absurd opinion entertained by a gentleman who has held an active position in connection with the issuing of patents. His opinion is that a party cannot renew his patent until the expiration of the term for which it has been issued — that, in fact, the application for the renewal must be contemporaneous with the expiration of the term.

Hon. Sir ALEX. CAMPBELL — I should not wonder. I understand the idiosyncrasies of the gentleman alluded to, and probably in the case to which I have referred, the failure to make the application in time was due to that cause.

The Bill was read the second time.

The Senate adjourned at 4.20 p.m.

THE SENATE.

Monday, January 17th, 1881.

The Speaker took the chair at 3.30 p.m.

Prayers and routine proceedings.

The Senate adjourned at 3.40 p.m.

THE SENATE.

Tuesday, January 18th, 1881.

The Speaker took the chair at 3.30 p.m.

Prayers and routine proceedings.

THE HALIFAX FISHERIES COMMISSION.

MOTION.

Hon. Mr. POWER moved :—

> "That an humble Address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House, copies of all Correspondence respecting the alleged falsification of some of the Statistics submitted, as part of the English case, to the Fishery Commission which sat at Halifax in 1877; also, of any Report or explanation made by the Commissioner of Fisheries or any other officer of the Government of Canada, with reference to such alleged falsification."

Hon. Mr. Scott.

He said: Members of this House and the public generally are aware that Professor Hind, who was one of the witnesses summoned before the Halifax Fisheries Commission in 1877, and who was selected to index the proceedings of that Commission, has written a number of letters impugning the correctness of the statistics which were used before the Commission, the effect of the statements in which letters would be — if we regarded them as being founded in fact — to show that the award made by the Commission was based upon mistake, and consequently was not justifiable. In the first place, Professor Hind wrote, I think in the month of June 1878, to the Minister of Marine and Fisheries at Ottawa. I do not know how many letters he wrote to that gentleman, but, finding there was no satisfactory response, he wrote to the members of the Commission, to Sir Alex. Galt, M. Delfosse, and also to the American Commissioner, Mr. Kellogg. He went to the Foreign Office in England, and wrote letters to Lord Salisbury, who was Secretary of Foreign Affairs at that time. Getting no satisfaction in any of these places, he turned again to Ottawa, and, quite recently, has written to His Excellency the Governor General, and lastly has written to Washington. All these communications are calculated to leave the impression that the award was procured by fraud; and I think it is clearly a most desirable thing that it should be shown that this is not so, and that any suspicion or taint of fraud should be removed from the award of the Commission. I am quite aware that some hon. gentlemen in the House, and some gentlemen elsewhere, are of opinion that it is better not to notice Professor Hind's charges — that, by noticing them in Parliament, we give the charges and the author of the charges an importance and notoriety that they do not deserve, and which they otherwise would not have. Now, if I had thought that that view was substantially correct, I should not have brought my motion forward; but the fact is that Professor Hind and his statements have got all the publicity and notoriety they possibly can. They have been published in the press of Canada and the United States, and, to a certain extent, in the English newspapers, and have been brought before the House of Commons in England, and, within the last few days, have come before the House of Representatives at Washington. When newspapers like the New York *Tribune*, *Times* and *World*, and the Philadelphia *Enquirer*, are publishing articles dealing with a matter of this sort, and when that matter is discussed in the House of Representatives at Washington, and when, as appears from yesterday's despatches, resolutions have been moved in the House of Representatives providing for the appointment of a Commission to inquire into the matter, it is too late to say tha' the subject has not become as public and notorious as possible. And it seems to me that it is now our duty to deal with it in some way or other; because every hon. gentleman knows that, no matter how unfounded a statement may be, or how improbable it may be, if that statement is made persistently and continuously, and is not contradicted, the upshot is that the general public, who are not familiar with the circumstances, get to believe that there must be a good deal of truth in it; and, no doubt, in this case it is particularly so with the public in the United States; who feel that in this Halifax Fisheries Commission they were worsted, for the first time during all their negotiations with England. It is the first time in all those negotiations that the interests of England have been properly advocated and looked after, and the result has been unsatisfactory to the United States; and the people of that country are quite prepared to believe, and would be only too glad to believe, that this result, which was so unsatisfactory to them and so satisfactory to us, was gained by fraud. I think that the sooner we do something to remove this impression from the minds of the people of the United States the better. There is another reason, and a more substantial one, why I think it is desirable that something should be done. One reason why the award of the Commissioners who sat at Halifax under the Washington Treaty was looked upon as being of very great importance to Canada was that the finding of that Commission formed a basis for future negotiations. The Fisheries clauses of the Washington Treaty will expire in a very few years; and I presume that this country will be represented when the matter is being reconsidered. The probabilities are that another treaty will be framed, and the finding of this Commission gives a basis, and shows what the value of our fisheries really is; and the value of our fisheries will form a very important factor in any future treaty. One cannot help seeing that, if the impression gets abroad that this award was based on a fraud, and that it does not show the truth, one of the most important values of the finding of the Commission will have been lost. I may say, for my own part, that, even after reading over Professor Hind's statement, I have not found the slightest reason to change the opinion which I had, that the utmost good faith was observed through the whole proceedings before the Commission—that is on the part of the Canadian Government and in the conduct of the British case. I had thought of not saying any more than I have already said, but of leaving the matter here to the Government and the House, and waiting until some explanation was brought down to satisfy the minds of members of the House, and, through them, the country outside. But I have since thought that it might be not improper to give some reasons why I do not think that Professor Hind's charges are of any great moment. I dare say that several hon. gentlemen who have read over Professor Hind's last long letter in pamphlet form, addressed to His Excellency the Governor General, have been puzzled to understand it, and, in order to make it easier to understand what Professor Hind's object is, I shall call attention, as briefly as possible, to the articles of the Washington Treaty which were dealt with by the Commission. The 18th article of the Washington Treaty granted certain fishing privileges to citizens of the United States in British waters. The 19th article granted similar privileges to the Canadian fishermen in the United States waters. The 21st article opened the markets of the United States and Canada for the reciprocal admission of all the products of the fisheries of either nation, except fish preserved in oil, and fish the product of inland waters; and the 22nd article provided for the appointment of the Commission. When the Commission sat at Halifax, and while the trial was going on, no pains were spared by the British agent and counsel to show how great the advantages were that were given to the Americans by the 18th article; and no pains were spared by the United States agent and counsel to show that these advantages were worth very little. Upon this point the evidence that was relied upon almost exclusively was the oral evidence of the fishermen themselves, as to the vessels engaged, and the catch made by them. Any hon. gentleman who has read Prof. Hind's first letters will have noticed that they deal largely with the fishery statistics. Now, as to this question of the value of our fisheries to American fishermen, the statistics were apparently of little use except to show the value of the British fisheries to the British fishermen themselves. The number of fish caught in our waters would not show of what value those fisheries were to the Americans, and, consequently, much of what Professor Hind has said on that point has been thrown away. But, for the purpose of showing how valuable the fisheries were in themselves, and to the British fishermen, a statement of the products of the Canadian fisheries was introduced into the British case. This statement was put in in good faith by the Dominion Government, and was, I believe, substantially, a correct one. These statistics were the first object of Professor Hind's attack. His early letters were all devoted to showing that there were certain mistakes in these fisheries statistics. I shall just read one passage from one of his earlier letters — from a letter numbered 63. It was written to M. Delfosse, President of the Halifax Fisheries Commission. In this letter, bearing date on the 2nd of September, 1879, he points out that he has —

"Shown in correspondence with the proper Imperial authorities that the approximate known extent of the alterations of the official records of the Dominion Government, as recorded in the table submitted in the British case, amounts in the aggregate to —

Less Mackerel................	102,030 bbls.
More Herring.................	91,000 bbls.
Less cans of Mackerel.........	153,710 cans.
More Smoked Salmon in boxes..	323,652 boxes.

"Also, that these items in gross, are the results of numerous changes in the tables presented, in quantities, in denomination and in prices, which run through all the years 1869 to 1875, inclusive."

When Professor Hind sent this letter to Monsieur Delfosse, that gentleman gave an answer which satisfactorily disposed of the Professor's objections to the fishery statistics. The letter is a very short one, and the House will pardon me if I read the whole of it.

"GIVERNY, DEP'T. EURE, FRANCE,
"October 19th, 1879.

"Sir,—I have the honor to acknowledge the receipt of your letter of September the 2nd (forwarded to me here), with the table enclosed, referring to the decision of the late Fishery Commission at Halifax.

"I have not in my possession here the documents which would be required to elucidate the points, which are not stated clearly and precisely in your letter, but it strikes me that the errors or alterations of figures, values, etc., in certain tables, do not, as recorded in your letter, bear out the accusation of intentional and systematic fraud; for, whilst some are errors by *less*, others are errors by *more* as well.'

Hon. gentlemen will have noticed that half the errors mentioned in the extract read from Professor Hind's letter were by more, and half the errors by less. Then Mr. Delfosse goes on to say:—

"The 'cases' presented by either Government, however, are distinct from the evidence, and could not alter nor impair the value and weight of such evidence as heard before the Commission.

"The powers of the Commission, however, being at an end, I can only receive your letter as intended to convey information concerning the communication addressed by you to the Governments interested; it will be for them to appreciate this matter and decide as they think fit.

"I keep at your disposal the document which was enclosed in your letter.

"I am, Sir,
"Your obedient servant,
(Signed) "MAURICE DELFOSSE."

Hon. gentlemen will see that the letter of Monsieur Delfosse completely nullified and rendered harmless all the sixty odd letters that Professor Hind had written up to that date. Professor Hind was on the wrong track altogether. Since then he has changed his line of attack. The portion of the proceedings before the Commission dealing with the actual catch of fish, having been removed from consideration, the other question of importance before the Commission, under the 21st article of the Treaty, was as to the value of the market of the United States to

Canada as compared with the value of the Canadian market to the United States. It was contended by the American agent and counsel that the liberty of importing fish into the United States free of duty was of very much more value to the Canadians than the liberty of free importation of fish from the United States into Canada. This contention was resisted by the Canadian counsel, and, of course, in this inquiry, it became necessary to go over the tables of exports and imports of fish to and from the United States for a number of years. Statistics were furnished on both sides, extending over twenty-six years—statistics showing the export of fish from this country to the United States, and to other countries as well, and also statistics showing the importations from the United States. Now, if the export of fish from Canada to the United States, during the existence of the Reciprocity Treaty and the Washington Treaty, was compared with the importation during the years when duties were imposed, and it was found that the exportations were very much larger than during the years when no treaty existed, that might be a very strong argument for the United States contention, and *vice versa*. Upon this point reference was made to Canadian and American trade returns, and Professor Hind's later attacks have been directed against these trade returns. I may mention, in passing, that one matter that was referred to in the 19th article of the Treaty—the value of the American fisheries to Canadian fishermen—was reckoned by us, and admitted on the other side, to be nothing at all. It is, as I have just said, on the trade returns furnished by our Customs Department that Professor Hind has made his recent attacks. The first question is as to our exportations to the United States. I shall deal as briefly as I can with those. Professor Hind, in his last pamphlet, at page 5, refers to this matter. He does in other places, too; but I shall briefly refer to this one general statement of his. It is in the second section, "Fish Exports from Canada to the United States:—

"First—In framing the averages of exports of Canada to the United States during the duty period, 1867 to 1873, the compiler lessened the official record of exports from Prince Edward Island to the United States, and increased the official record of exports to other countries. In some cases this alteration of records of Government was made to a very large extent."

With reference to that, I am informed that it was stated on behalf of England that the Prince Edward Island returns were not accurate, and it was not pretended by the counsel or agent of the British Government that those returns were altogether reliable. Prof. Hind goes on to say:—

"Second.—The prices given in the Customs returns, of fish exported to the United States, when compared with the prices charged to other countries, are so widely different, and so much less during the years 1874, 1875 and 1876 as to suggest certain conclusions respecting the origin of these differences."

"Third.—Certain large items of fish export to the United States are absent from the Customs returns during different years.

"The effect of these artifices is to diminish, to a very large extent, the record of exports of fish and the products of fish from Canada to the United States, during both the duty period, from 1867 to 1873, and the Washington Treaty period."

There is about the clearest and most direct charge which is made by Professor Hind, as far as I have been able to see; and hon. gentlemen will pardon me if I try, in as few words as I can, to show how little foundation there is for that charge. In the first place, the records, as I have already stated, extend over twenty-six years. The returns were furnished by the Fisheries Department, and in order to check those returns as far as possible—they were known not to be very accurate—when the case was being prepared, the Department of Agriculture was consulted. The census returns were made use of in order to check the trade returns, and it was found that they went to confirm the returns of the Fisheries Department. But, hon. gentlemen, that was not the most important and conclusive evidence. That is only *prima facie* evidence that these returns were correct. The fact is that the United States had a record of their importations from us, which, as one would naturally expect, was much more accurate than any we could keep, because all their importations of fish passed through the Custom House, and their record would naturally be an accurate one. When the two compilations, the Canadian and the American, for the same period, compiled from their trade returns, were compared by the English

Counsel and the American Counsel, it was found that during the whole period of twenty-six years, involving so many millions of dollars, the difference in the aggregate amounted to only a few thousand dollars; and that difference probably arose almost altogether from the inaccuracy of the Prince Edward Island returns. I think this is most conclusive evidence that this, the most serious of Prof. Hind's charges, is altogether unfounded. The only other question that the Commission had to consider — having to deal with the question of the relative value of the markets — was the question of our imports of fish from the United States; and on this point the Canadian statistics were admitted by the Americans to be more accurate than their own. And to show how differently the American agent, who was a very able man, and the American counsel looked at this matter from Prof. Hind, the Americans insisted on selecting as a basis of calculation the very year 1874 — in which Prof. Hind has discovered the greatest falsifications as against the American interest. The Americans insisted on selecting that year as the year on which the decision of the Commissioners was to be based. They found that the statistics of that year were more favorable to them than the statistics of any other year, and they alleged as to that year that the Canadians, if there had been a duty, would have paid four hundred thousand dollars. The English argument which was, I think, to a certain extent recognized by the Commissioners in their award — although I do not know exactly on what they based their decision — was that the consumer paid the duty, and not the Canadian exporter. With reference to the question of importation, the only way in which to establish any case of deliberate fraud against the Canadian Government or their agents, or against the agent of the British Government, would be to show that these tables of importations into Canada from the United States had been systematically and continuously falsified; that the imports from the United States into Canada during the non-treaty years had been systematically lessened, or that the imports during the treaty years had been increased, or both. Now, Professor Hind does not give any evidence whatever to sustain such a charge as that; and consequently I think that any impartial man reading over his pamphlet would come to the conclusion that his charges were not sustained by the facts. He does point out certain apparent errors and discrepancies in the trade returns, but nothing at all tending to show any systematic or deliberate falsification. Some of those apparent errors and discrepancies have been already explained, and I have no doubt that the officers of the Fisheries and Customs Departments will be able to satisfactorily explain the whole of them. In fact, the question of the importations into Canada from the United States had very little to do with the award. The English counsel in the case relied chiefly upon the evidence of United States witnesses to prove that the consumer paid the duty. I think it will strike any one who reads Prof. Hind's letters, that he has not approached this subject in a judicial frame of mind, but seizes and magnifies everything which appears at first sight to tell against the parties who prepared the British case. In one of his earlier letters, he speaks of a correction which he made in an official table. He says that he called the attention of Mr. Bergne the Secretary of the Fisheries Commission, to certain errors in a table of the Canadian Fisheries Returns, and at his own suggestion those errors were corrected, and then he makes that fact evidence of a deep laid scheme to defraud the Americans. Then he refers to a tabular statement which was used before the Commission, and amongst other things he says that the results given by this statement varied from those in the smaller statements out of which it was composed. The fact is that the smaller statements upon which the larger one was based were handed in as evidence, and this large tabular statement was only put in as a matter of convenience. It is not at all probable that if the British agents were putting in falsified tables they would put in along with them the evidence that they were forgeries. In the same way, take the letter written last summer to the Toronto *Globe* by the Commissioner of Fisheries, an officer whom Prof. Hind has said some very severe things about. In this letter the

Commissioner of Fisheries refers to certain statistics which were used before the Halifax Commission. If he were conscious in his own mind that those tables were forged or falsified, it is not at all probable—particularly after attention had been called to them by Prof. Hind so very publicly — that he would bring those tables out before the public again; and the fact that the Commissioner did so, is the best evidence that he, at all events, did not believe that there was anything falsified or forged about them. It will be noticed, as indicating the nature of Prof. Hind's feelings, that in his earlier communications, Mr. Ford, the British agent, and Mr. Bergne, the Secretary of the Commission, were the principal objects of his attack, and after the Foreign Office and the Government here declined to notice him, then Mr. Miall, of the Inland Revenue Department, and Mr. Whitcher, Commissioner of Fisheries, became the special objects ot attack, and at the present time he seems unfriendly towards everybody who has had anything to do with the Commission. As showing the frame of mind in which Prof. Hind has approached this subject, it may be noticed that, when he found his first attack was altogether a mistaken one, instead of dropping the matter, he apparently looked around for some other point on which to make an attack; and he thinks that he has found that other point, and is now making his attack there, although he takes a different line from the one he adopted in the first instance. I have looked over his pamphlet, and shall call attention to three or four places where he has made what any one can see are serious blunders. For instance, on page 10 of this pamphlet he speaks about the astonishing imports ot fresh fish from the United States to Nova Scotia and Ontario during the season of 1874; and he goes on in the very next paragraph to show that there could not have been any wrong motive in this case, because he says there could be no fiscal reason for the enormous importation of fish after the Washington Treaty, because fresh fish were duty free before the Treaty. Still a very large proportion of Prof. Hind's efforts in this pamphlet are devoted to establishing that more fresh fish and of a different character was stated to have been imported than had actually been imported from the United States into Canada. Then, in another place, at page 47, he deals with the matter of mackerel cans; and he seems to think it is a very serious crime on the part of the Commissioner of Fisheries in making up the returns of the produce of the fisheries that he should alter the word "cans" into "pounds," and he says:—

> "The Commissioner of Fisheries was passing his pen through records of the Government which obliterated 153,710 cans of mackerel from the aggregate trade of the country by altering the denomination from "cans" to "lbs," as may be seen by comparing the statement on page 78 of the "Correspondence respecting the Halifax Fisheries Commission with the official details from which that statement is falsely alleged to be taken. A similar and subsequent obliteration of cans of mackerel may be recognized by comparing the statement on page 19 of the Fishery Report for 1877 with the details from which that statement is also falsely alleged to be taken."

If the professor had known very much of the subject he was talking about he would have known there was really no falsification at all in that change, because each can contains a pound, and I presume that as the Commissioner of Fisheries desired to make up the statement by weight, so as to show the quantity of fish, he converted the cans into pounds. That is one of the serious charges made against the Department here. Prof. Hind has a good deal to say about the difference in price between packages of oysters sent to one province and oysters sent to another. The fact is that oysters sent to Ontario, and which cost a good deal more than those sent to Nova Scotia, are for the most part without shells. In Nova Scotia they import a great deal in shells by vessels, and they naturally cost much less per barrel in that way. A good deal was said by Professor Hind in his pamphlet about fish imported into Nova Scotia. He says that there were more shown to have been imported than were actually brought in. I am not familar with the exact quantities, but I know that about the time he refers to large quantities of fish were imported into Nova Scotia from the United States — a large amount for exportation in consequence of the failures of the Newfoundland fisheries. In the Halifax *Chronicle*, which reached here a few days ago, I find that Prof. Hind attacks the Dominion statistics on another ground. He finds, on looking into the statistics of coal raised in the Province of Nova Scotia, that the Dominion returns gave in one year less than the local returns, and in another year more. That shows that there is a mistake in the statistics somewhere, but it does not show any deliberate falsification of the returns. There must be some reason why Prof. Hind has made all these various statements, and why he has taken the pains to write so many long and elaborate letters, which are counted now, I think, by something more than the hundred. It seems to me that Prof. Hind is a man of most intense application to anything to which he turns his attention, and he has allowed himself to brood over those figures until he became morbid and incapable of seeing them as they really are, and he has got to think — everyone can see that from the tone of his letters — that every trifling error and discrepancy is evidence of some deliberate and monstrous fraud. He magnifies every mole-hill into a mountain. It seems to me that probably my learned colleague behind me (Dr. Almon), if he investigated Prof. Hind's mental condition, would find him, as to these statistics, at all events, a monomaniac. Because, if we do not adopt this theory, hon. gentlemen will see that we shall have to assume some most improbable things. In the first place, if we are to believe that Prof. Hind is right, we must not only believe that our Canadian statistics are wrong, but that the United States statistics are also incorrect; that the census statistics are wrong, and that the officers in the Departments of Marine and Fisheries, Customs and Agriculture, have been guilty of deliberate, systematic and long continued fraud and forgery; we must believe that Sir A. T. Galt, Mr. Ford, the British agent, Mr. Bergne, the late and present Ministers of the Dominion, and the late and present Secretaries for Foreign Affairs in England were, if not parties to these frauds and forgeries, to a certain extent accessories after the fact. Further than that, we have to believe that Mr. Delfosse, the President of the Commission, a man of stainless character and great ability, was also a party after the fact, to this great crime. And still further that the Hon. Ensign Kellogg, the American representative on the Commission, is also in the same position. Now, it is quite impossible to suppose anything of the sort, and it seems to me that any thoughtful citizen of the United States who looks at the thing calmly for a few moments must see that it is altogether impossible that we can believe Prof. Hind to be correct. There is no effect without a cause, and although I do not know that it is necessary to look for causes for the peculiar bias given to Prof. Hind's mind, still there are some causes which suggest themselves not unnaturally. I do not think — although probably Professor Hind is under the impression that he is doing a very patriotic thing — that patriotism is the passion which actuates him. I find in his letter to Sir Alexander Galt, written on board the steamer *Peruvian*, November, 1878, that he speaks in this way, referring to there erroneous fishery statistics:—

> "Being apprehensive that, when the frauds should become known, an outburst of taunt and indignation from the American people would be greatly detrimental to international relations, immediately after their discovery in June last, I informed Sir A. J. Smith, subsequently the Marquis of Salisbury, and then the Earl of Dufferin."

He was afraid the Americans would become very much excited when they found out these alleged frauds; but still we find him, in a letter written ten months afterwards, in September, 1879, to Mr. Delfosse, sending the evidence which he thought sustained these charges of fraud, and saying that the tenor of this letter would be communicated to Sir Alexander Galt and Mr. Kellogg, the United States Commissioner. You will perceive that the knowledge which he was apprehensive that the people of the United States would acquire of these frauds he reveals himself. Mr. Kellogg apparently paid no attention whatever to his statement. Professor Hind speaks in that letter in this way:—

"Apart from the dishonorable and illegal nature of the transaction the good relations and harmony of the United States and the British North American Provinces should not be placed in jeopardy by the unlawful acts of two or three individuals.

"Neither should the official records of Government be knowingly stained with the proofs of premeditated fraud in an international contention, which must be brought to light within five years, and with greatly increased responsibilities, thus imperilling faith in good government and its official records."

I shall not quote any more from this letter on that point, but Prof. Hind's conduct shows clearly that patriotism is not the motive which actuates him, because after writing his long and elaborate letter to His Excellency the Governor General, he does not wait until this Parliament shall have dealt with the matter, or an investigation is made, but hurries his letters and all the evidence, as he considers it, of the blackest sort of crime, to the authorities at Washington. That certainly was not the act of a patriot. In fact if there were nothing else, I think that this one act of Prof. Hind is enough to show that his motives are by no means admirable or noble. I have already trespassed too long on the time of the House, and I shall not trouble you with reading some further extracts which, perhaps, go to show the motives which really actuate Prof. Hind. It will be noticed, I think, that in the earlier part of his letters he refers with an apparent bitterness of tone to the favorable mention made in Mr. Ford's despatches of certain gentlemen who co-operated with Mr. Ford in preparing the British case, and it seems to me that that bitterness of tone runs all through this correspondence of Prof. Hind's from beginning to end. I cannot help feeling that if his name had been very favorably mentioned in Mr. Ford's despatches, and if he had been treated as a man of a little more importance when the Commission was sitting, probably we would not have been troubled with any of this correspondence, or with the difficulties that may arise out of it; though I do not think any serious difficulty is likely to arise. I have not been able to investigate all the charges made by Prof. Hind, but as far as I have been able to go, his charges have been proved unfounded, or without any serious basis; and I feel quite confident that if fully investigated all his charges will be found to be of the same character. As to the exact form in which the matter is to be dealt with, I cannot say. I am moving for the correspondence, and for a report from some officer of the incriminated Departments; but it may be that the Government have some more satisfactory way of dealing with the matter than that. Some hon. gentlemen have spoken of having a special committee of the House to investigate it, but it seems to me that the exact mode in which the public mind is to be satisfied on the subject is not of very much consequence so long as it is made clear that there is no solid basis for Prof. Hind's charges. In conclusion, I beg leave to move the resolution of which I have given notice.

Hon. Mr. HAYTHORNE — In rising to second the motion made by my hon. friend on the other side of the House, I wish to make a few remarks. It seems to me that the subject is one of considerable importance. It imputes certain grave misdemeanors and offences to two important departments in our public service, and those accusations have found their way into the United States, and, having found considerable credence there, and having been made, I believe, the subject of a motion in Congress, I think it becomes the Legislature of Canada to make such inquiries into the case as shall decide whether there is really any ground for those accusations or not. Had those charges been made by some unknown individual, I should probably have treated them with less consideration than we do at present, but as it so happens that the gentleman who has made them, Professor Hind, has occupied for many years past important positions in the Dominion service — and especially on the Halifax Commission—it becomes essential that we should treat him and treat his statement with some consideration. I observe from the title page of his pamphlet, which is a letter addressed by Professor Hind to the Governor General, that it bears on its title page a statement of the different public positions which that gentleman has filled since the year 1857 up to 1872. It appears that he has been pretty constantly in the public service, and he has occupied some important positions. He has been geologist to the Red River expedition, 1857; he had charge of the Assiniboine and Saskatchewan expedition in 1858; he is author of the Narrative of the Canadian expedition to the North-West, 1860; Explorations in the interior of the Labrador Peninsula, 1863; Official report on the geology of New Brunswick, 1865; Official reports on Waverly, 1869; Sherbrooke, 1870; Mount Uniacke, Oldham and Renfrew gold districts of Nova Scotia, 1872, etc., and several other public positions. I will not detain the House to recapitulate them. What I propose to do is simply to lay before the House a few extracts from his letter addressed to the Governor General, which, I think, demand explanation. The mode which my hon. friend from Halifax has taken to draw public attention to this question is, I think, a proper one in the first instance, but it does seem to me that a more complete and thorough mode of investigating those charges would be to refer them to a select committee of the Senate. I observe that in the fourth page of Professor Hind's letter he sets forth his intention in the following words:—

> "I propose to show Your Excellency that this 'published information' is gleaned or falsified from the Annual Trade and Navigation Returns of the Customs Departments, and the Fishery Returns of the Department of Marine and Fisheries; also that during a series of years many of the details embodied in the official reports of these departments of Government are of such a doubtful character as to excite the gravest suspicions of their truthfulness, and in some instances to induce a belief that the entries are fictitious, misleading and premeditated."

Now, hon. gentlemen, if the writer of this pamphlet can substantiate this statement, I think it is a bad case for the Department to which he refers. For my own part, I confess at once that I cannot credit it. I believe that for some cause, that I cannot undertake to describe, Professor Hind has been laboring under a misconception. It seems to me to be incredible that any officials would undertake, from any cause whatever, to place false statements before the public in such a way as he describes. I will simply make a few extracts from Professor Hind's pages in order to show the necessity which, in my opinion, exists for further inquiry. Speaking of the item of furs, as an illustration of the manner in which those returns were falsified, he refers to "furs, skins and tails," which are, as we all know, the produce of land animals, and, as he asserts, that the Marine and Fisheries Department has taken means to introduce these returns of skins, furs and tails from the Customs Department into that of the Marine and Fisheries, and that he has exaggerated their value. He says of furs and skins, the produce of fish or marine animals, the value stated in the returns laid before the Halifax Commission was $246,535, and the furs, skins and tails of other entries were valued at $41,826, making a total of $288,361. But, he says, these items have been transposed, and that the value of the furs and skins of land animals has been attributed to animals the product of the sea, and *vice versa*; consequently an increased value has been given to our marine exports which properly belongs to our land exports. This is one of the points to which Professor Hind attaches very great importance. He has also, on page 17 of his pamphlet, referred to the exports of codfish, salted, from Prince Edward Island, as follows:—

Great Britain, 13 cwt..................	$ 3,098
United States, 30 cwt..................	10,708
British W. Indies, 24 cwt............	9,402

A total of 67 cwt., valued at $23,208, or, as he says, "the aggregate exportation being at the rate of $344 per hundred weight for salt codfish." Now, it certainly is incumbent on us, if this is a true description of the return laid before the Halifax Convention, that this should be investigated. In another place he speaks (at page 11) of the imports of fresh codfish, including ling and pollock, from the United States, in the year 1874, as follows:—

Province	Quantity	Value	Price per lb.
Ontario......	294.515	$13,737	42c., nearly
Nova Scotia..	19,325	2,147	11c., "
N. Brunswick.	5,175	671	13c., "
Quebec....	No quantity	60,450	

He goes on to show, in another place, the extraordinary discrepancy that the same description of codfish had been exported from those provinces at the rate of one cent per pound. I might go on to a very great extent showing similar discrepancies, but to do so would occupy too much time, and is not necessary to lead hon. gentlemen to a conclusion in this affair. The pamphlet is full of extravagances such as those I have mentioned. They may not obtain currency here in Canada, but as they have obtained currency in the United States, and as it must, I am sure, be the object of every member of this Senate to maintain the honor of our country intact, I think it is essential that we should give the Department whose returns are impugned in this way an opportunity of proving that Professor Hind's charges are untrue. Therefore I have, with great pleasure, undertaken the duty of seconding my hon. friend's motion. I have not put the question before the House in precisely the same manner as my hon. friend has. He argued, certainly not without success, that the statements of Professor Hind are not correct. For my part, I admit I have not yet studied the subject so attentively as to be able, absolutely, to acquit the Departments implicated, but I think there is matter enough in this pamphlet to warrant investigation.

Hon. Mr. KAULBACH — It is quite evident that the whole case on which the award was based and obtained was made up and prepared substantially for the late Government by their predecessors in the Marine and Fisheries Department. If there were any discrepancies in this statement made by the Department at that time, certainly the late Government had three years in which to examine, revise and correct the reports. It seems to me that the charges of wilful fraud and falsification by Professor Hind point directly to the term of the late Liberal Government, from the autumn of 1872, and they are directed at the gentleman who was at that time at the head of the Marine and Fisheries Department, who received and wears Imperial honors for the fishery award — on a case made up by his predecessor in that Department with every intention and desire to be accurate, and in which no material error is shown with his services in connection with that Department and the Halifax Commission. Professor Hind charges the ex-Minister of Marine and Fisheries with having deliberately, wilfully and fraudulently falsified the reports, the returns and statistics. My hon. friend (Mr. Power) has thought proper to stand in the breach in support and defence of that Administration, and that Minister's honor and integrity, and has evidently devoted much pains to the task in this matter. I think it is questionable, however, whether the Senate should take this matter into consideration at all, as it is a question between the Imperial Government and the United States, and, after the Imperial authorities have declined to take any notice of it, to me it seems to give unwarranted importance to the matter. My hon. friend admits that he had some doubts as to whether he ought to have brought the matter up here. At all events, I think it might have been brought up with greater effect and facility by the gentleman who received those Imperial honors, and whose reputation and character, together with the honor of the country, have been impugned by Professor Hind, but who has thought proper not to notice it, or to explain his official acts. Although I must say I do not approve of the course adopted by my hon. friend, I am free to confess that he has shown us that, as far as his research goes, if there had been mistakes and discrepancies, they could not have been made with fraudulent or even improper intent, because they were immaterial to the issue, and could not have affected the basis on which the award was founded, and could not have been taken into account in making up the award. I must say, from the prominent position Professor Hind has held in many public matters, considerable importance might be attached to his statements by the outside public, and I am very glad that, as my hon. friend has noticed this matter, he has shown, as far as he can, that those errors, if there are errors, could not have affected the award of the Commission, and, having done that, if any further steps are to be taken in this matter in this Parliament, it appears to me that it is the duty of the late Minister of Marine and Fisheries to initiate them, and to exonorate himself and the Government of which he was a member, and the country, from any stigma that might possibly be attached to him by Professor Hind's charges—charges which my hon. friend thinks have proceeded from a source not worthy of the notice and public attention they have received.

Hon. Mr. HOWLAN — It was not until late this afternoon that I procured a copy of Professor Hind's pamphlet.

I did so because it contains a reference to the evidence that I gave myself. I have looked over the statistics here with the greatest care I possibly could, and I find, from my own experience in the fishing business, that Professor Hind has been greatly led astray. If I were to state to the House at the present time that this very year the export of smelt alone, from the Province of New Brunswick, is much more than the export of salmon, I am sure I would be laughed at, but for all that it is so, as a reference to the statistics published by the St. John *Telegraph* of a recent date will establish beyond doubt. What is the reason? It is this: salmon fishing in New Brunswick this year has been an entire failure, and, consequently, salmon does not appear in the returns as before. On looking over the pamphlet, I find that one of the principal facts on which he grounds his accusation is the export of fresh fish from Quebec. I can understand how such a statement can be made up, from my knowledge of the fishing business, and how, without any intention to defraud, such a statement might get into the fisheries returns. If he had proved in his statement that the quantity of salt codfish, etc., had not been exported that particular year, there would be some room for suspecting that the $101,000 had been used to swell up the exports from the Province of Quebec, but he does not state that fact. Reference has been made to the prices of codfish, hake and pollock. The prices of fish vary like the prices of other things. You sometimes find Halifax importing fish from the United States, and *vice versa*. Sometimes it is up in one place and down in another. There may be orders in Halifax for a certain description of fish which can be found only at St. Johns, Newfoundland, or Boston, and the prices may go up or down that way, and you can readily account for this statement here. If Professor Hind had taken into his confidence some gentlemen who were interested in the fishing business in Halifax, he would, no doubt, have been put right in a short time. With regard to those values, Professor Hind makes a statement respecting the prices of fish, showing that, while in one province a reasonable export price was recorded, in another province, a remarkably low one was charged for exports to the United States. But prices are ruled by the circumstances and the time. He shows that in 1879 the prices of dry salted codfish exported were $4.14 to the Spanish West Indies, and $2.67 to the United States. The cause of that difference is very easily arrived at. That particular year may have been one in which there had been a very poor catch in the United States, and, consequently, the very poorest kind of fish was in the market, hence the price. The very contrary was the case in Nova Scotia. In 1875 the prices were, to the West Indies, $4.88, to the United States, $3.77, a difference of $1.11; in 1876 the difference was $1.02, and the three following years it ranged from 40 to 62 cents. That is very easily accounted for by commercial causes. Then he lays great stress upon the difference between the prices of pickled herring imported into this country and exported from this country into the United States. That can be readily understood and explained by those acquainted with the fishing business. In the spring of the year a very large fleet goes to the Magdalen Islands and bring home large quantities of fish in bulk, as it is called, and these they generally sell at one cent a pound. These fish are then packed, and prepared for exportation, and the price is increased by $1.50 a barrel for packing, etc. He says in 1877 Prince Edward Island is recorded to have exported to the United States 1,210 barrels of pickled herring for $3,855 or at the rate of $3.18 a barrel, a difference of $1.59 a barrel between the import and the export price of pickled herring for the Province of Prince Edward Island, being more than the total price per barrel charged by Quebec in 1874 and 1875 for similar articles imported into the United States. Quebec and Ontario use all the herring they get for consumption, while the herring of Prince Edward Island are used chiefly for bait for the mackerel fishing; and I have known some cases where the price of herring almost rose to the price of mackerel, because they could not obtain them for bait; and I can understand a discrepancy of that kind creeping in. I remember distinctly there was a very poor catch at Magdalen Islands in 1877. There was about the same re-

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sult from that as from the Nova Scotia fishery, and we were compelled by force of circumstances to go to the United States or elsewhere to buy herring. On page 19, again, with regard to pickled halibut sent to the United States, he goes on to show that pickled halibut going to the United States from Nova Scotia was recorded at a certain rate; that pickled ha but going from New Brunswick was recorded at a different rate. That matter is very readily understood. At one particular season of the year halibut is very high, while at another season of the year it is very low, and other causes may combine to increase the lower prices. Now, again, with regard to the annual expense, it is true we have no internal revenue bureau connected with our Government here as they have in the United States. We have to depend altogether on the Customs and the Trade and Navigation returns. Under the circumstances it is surprising that our statistics are as accurate as they are. In the United States every man has to pay duty on his income, and there are supervisors on every mile of the coast taking evidence as to the exports and imports, and the value of the fisheries, while we have to depend altogether on our Trade and Navigation returns and Customs reports. Notwithstanding the facilities for compiling statistics in the United States, I have no hesitation in saying, from my experience at all events, that if you were to examine them as critically as Professor Hind has examined those of this country, you might find them as imperfect in some particulars as our own. There may be inaccuracies from a variety of causes, but I do not think the charge of systematic fraud or inaccuracy can be borne out. It is a matter of notoriety, in connection with this fact, that after a comparison of both the returns of this Dominion and of the United States on this particular question, the difference in 27 years does not amount to much more than $100,000; proof sufficient that the statistics were very well attended to and very exactly taken. I know, so far as I am concerned, I was not a supporter of the Government which was in power at that time, but having been asked to give evidence as a public man before the Commission, I did so. I left my home, and attended the meeting of the Commission at Halifax, and gave my evidence. Professor Hind in his report here notices my testimony, and endeavors to manufacture out of it something to support false deductions. He takes the exports to the United States, for the year 1872, from Prince Edward Island. Why he takes that particular year I cannot understand, but then he says:—

> "In this independent official statement we observe Senator Howlan's figures for mackerel not only correctly given, but the total amount of fish exported to the United States in 1872, returned by the Custom House officer at $137,746, in place of Mr. Barry's $92,838 worth.
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> "In effect, a Senator of the Dominion produces upon oath, before a court of justice, the records of his own work and his own Government in a distant Province, when that Province possessed jurisdiction over her Trade and Navigation Returns. Subsequently, in the same court of justice, an officer of the Dominion Customs Department at Ottawa, produces upon oath an alleged statistical statement of the same details, but differing altogether from the Senator's statement, and he declares that he has derived his results from the same source as the Senator himself."

Now, the matter is very easily explained. In Prince Edward Island the fisheries are mainly on the north side. The prevailing winds during the fishing season are from the north-west. At intervals, possibly about three or four weeks, a very heavy blow comes on from the south-east or north-east. On such occasions vessels loading off the north shore go to Shediac at the Gulf end of the Intercolonial Railway, and deliver their mackerel there to be placed *en route* for Boston or other ports in the United States. As a consequence, those mackerel would not appear in the Custom House returns of Prince Edward Island, whilst they would necessarily appear in those of New Brunswick. When the matter was under discussion, and when Judge Foster took up the returns and read them, I remember distinctly he said "these differ from your statement." I said "I cannot help that," and I explained at that particular time the discrepancy between them. Those returns were taken from the journals of our own Legislature. I explained it very distinctly so that no misunderstanding should arise. Now Professor Hind misconstrues that. He says:

"The thing is done in such a manner, that the officer of the Customs Department at Ottawa triumphs in this court of justice, and use is made of his falsified figures. The two statements cannot be true, and the Senator's statement is *susceptible of verification.*"

Why was it "susceptible of verification?" The answer is obvious, because, then and there, I substantiated the statement I gave by official documents, and he should have stated in his pamphlet the reason which I gave, and not to try to find fault with the gentlemen who prepared the statistics from the only data they could get — the returns from their own custom houses. Then he goes on from that to state that, if the statistics are wrong in one particular, they are wrong in the other. But he goes on to show, from the records of Prince Edward Island, that my statement is correct. It certainly may be a pleasure to him to do so, but it is entirely begging the question. On page 29, in the same way, referring to oysters, he puts the exports of oysters from New Brunswick at 13,274 barrels. What the price of oysters was in the United States at that particular time I am at a loss to know, but it may have so happened that there was a very large export of oysters from Prince Edward Island to St. John, New Brunswick; that the oyster crop in the United States was bad at that time, and where there was almost daily communication between St. John and Boston, it may possibly have been in the interest of those engaged in the oyster business at this time to ship to Boston from St. John. There must be some commercial reason why this export appears in the returns. I fail to see that any case is made out here which cannot, with a very little investigation, be satisfactorily reported on, and I have no doubt that, if the American Government thought it was of sufficient weight and importance, correspondence would be furnished on the matter. After the exhaustive evidence produced at that Commission from men acquainted with the Atlantic coast, from the United States, I do not believe that they would have allowed those statistics to go unchallenged. They had every sort of information they could get, and, to use a common expression, they left no stone unturned. The American steamer *Speedwell* was fitted up specially for the service, under the supervision of Professor Spencer H. Baird, who has in very able reports contributed a mass of information on the subject, second to none, and of the most valuable data which can be relied on; a mass of information that I am sure no other country in the world could supply, and Professor Hind himself furnished some information about the homes and haunts of the fish. So accurate were the instruments they had on board the *Speedwell* that they were enabled to go to some particular part of the Gulf when there was a dispute about fish, to go down to the bottom, and bring the identical fish up itself. I can come to only one conclusion, that if anything of a very important nature in the interests of the American people had been lost sight of, there were men well qualified indeed to supply it — men who have given great attention to the fishing interests, of illustrious men and merchants—highly accomplished merchants; and to think that they would allow their case to be treated in such a way with the very eminent men they had on the Commission, I do not believe it can be verified if a committee is struck to investigate the matter.

Hon. Sir ALEX. CAMPBELL — The hon. member from Halifax, who has brought this matter under the notice of the House seems to have satisfied himself that the statements which have been made by Professor Hind are not entitled to credence, and that he is probably a monomaniac on the subject of them. He has also told us that almost all the persons who have been engaged in the Fishery Commission have been in succession attacked by this gentleman. If the statements are therefore in themselves incredible, and the hon. gentleman points out the reasons why he thinks they are, and if the person himself is in the state of mind that the hon. gentleman describes ——

Hon. Mr. POWER — I only supposed that.

Hon. Sir ALEX. CAMPBELL — I must express my regret that he has thought it proper in the exercise of his discretion, to bring them before this House, because it cannot but have the effect of giving them a factitious importance. The hon. gentleman says he does so because, although he does not himself believe, and although he thinks no person who has informed himself will believe, those statements, yet he is apprehensive the general public may ——

Hon. Mr. POWER — The hon gentleman does not refer to the fact that the statements have been made the subject of a debate and resolution in Congress.

Hon. Sir ALEX. CAMPBELL — I see by the papers that that is the case, but they do not seem to have attracted much notice or to have been at all believed in. So far as we are concerned, it must be borne in mind that the fisheries arbitration under the provisions of the Treaty of Washington was between Her Majesty's Government and that of the United States; that the Commissioners were appointed by those Governments respectively; that the conduct of the case on our side was in the hands of a gentleman appointed by Her Majesty's Government; that the evidence was marshalled by him; and that any returns which were furnished to him were put forward in the exercise of his discretion. The gentleman who acted as agent for Her Majesty's Government, Mr. Ford, formerly the Secretary of the British Legation at Washington, is well known to many members of Congress, who would hear the statements to which the hon. gentleman has referred as having been made in Congress. If there is any sound reason to distrust the reliability of any of the evidence offered under Mr. Ford's direction, it would be for the Imperial Government to take steps to test its accuracy, but we notice that the Under Secretary for Foreign Affairs, Sir Charles Dilke, when this matter was brought up in the Imperial House of Commons, a few days ago, said that he did not consider the statements of Mr. Hind as entitled to attention. It would appear from the statement of the hon. gentleman that copies of Mr. Hind's pamphlets had been sent to Mr. Delfosse, the chairman of the Fisheries Commission, as well as to the Under Secretary for Foreign Affairs, and in view of the letter to Mr. Hind from Mr. Delfosse, which the hon. gentleman has read, and of the silence of both the English and American Governments, as well as of the statement made by Sir Chas. Dilke, it seems to me that it would have been much better on our part to have allowed the matter to rest until those who were responsible for the conduct of the investigation should decide that they attach sufficient importance to these statements of Mr. Hind to take notice of them. The statistical information which was furnished to the agent for Great Britain before the Commission, at the request of the Imperial Government, by Canadian officials, related to two subjects, trade and fisheries. The former statistics were compiled from the returns which had been laid before the Canadian Legislature, session after session, for twenty-six years. One cannot suppose that the persons engaged in compiling statistics during all those years were in a conspiracy to prepare false returns to be used in the fisheries investigation; and not only is this the fact, but before being placed in the hands of the agent of the Imperial Government they were collated with statistical returns of the United States for the same period, and as the hon. gentleman (Mr. Power) has pointed out, the comparison of the returns of the two countries for the long period of twenty-six years only showed a difference of a few thousand dollars, strongly establishing the correctness of both.

Hon. Mr. POWER — Not one hundred thousand dollars.

Hon. Sir ALEX. CAMPBELL — With reference to the fisheries returns, they were made up by the Department of Marine and Fisheries, and made up with every desire to be accurate. They were compared with similar information which the Census Commissioners collected and compiled. It was the only check which was possible. I ask what more care could have been done to attain accuracy; and beyond this the award did not, I believe, turn on the statistics but on the oral testimony; but these returns are believed to be perfectly correct. The suggestion that there was any idea or intention to falsify them is an outrage on common sense. There is no objection on the part of the Government to the papers coming down.

Hon. Dr. ALMON — I have been appealed to by the senior member for Halifax to express an opinion as to the mental condition of Prof. Hind. I should like to know what Mr. Hind was paid for his attendance on this Commission, and what he claimed. If these facts were placed before me I could understand the animus which induced him to attack his countrymen and his country, and to endeavor to throw on us the blame of having over-reached the Americans, and thereby incurred the same shame that the Americans did in the Ashburton Treaty, in which they concealed the map with the red line, and gained a territory which no American can pass by without a blush of shame at the scandalous manner in which it was obtained. If these statements of Prof. Hind's were true, we should willingly give up all that we have gained by the award of the Fisheries Commission. But I do not think that there was anything unfair about the award. With regard to the speech of the senior member for Halifax, I think the hon. leader of the House has been rather hard on him. My hon. colleague has brought up the matter fairly. I was afraid at first that he was going to endorse the calumnies brought against our public men concerned in the award. Those men are not of the same politics as myself, but I believe that any Nova Scotians, whether they be Grit or Conservative, would scorn to use anything in a treaty with another country which was not fair and above board. When my hon. friend commenced his speech, I thought that the Irish blood in him led him to exemplify the verse of the old song—"He meets with his friend and for love knocks him down"—for every statement of Hind's that he read he immediately afterwards proved to be false. As the hon. Senator from Prince Edward Island (Mr. Haythorne) has told us, Prof. Hind has occupied a great many honorable positions, but I think he has always been a very quarrelsome man. The Rev. George Grant, who travelled through the North-West, and published a book on the subject, was, while in Halifax, idolized by men of all religious denominations, and in this part of the Dominion, where he has been living for the past two or three years, he has the same standing that he had with us. In his book, among other illustrations, was a picture of a Cree squaw. What did Prof. Hind accuse him of? He stated this engraving was copied from a book that he himself had written on the North-West, thereby accusing the reverend gentleman, through the press, of stealing his squaw. Anybody who knows Mr. Grant must be aware that he would not be guilty of anything of that kind. The statistics of the fisheries must have been very difficult to get hold of. We all know what fish stories are. The first recorded is that of Jonah and the whale. Of course I believe the whole story, as I do any told me by my friends. When any of my friends go fishing, they tell me of the big salmon that they hooked and which escaped, and those escaped fish are never less than thirty or forty pounds. How could they weigh them? They had not even the fishes' own scales for the purpose. These statistics are furnished by local officers, and I know, during the short time I represented the County of Halifax, there were but few of them fit for their situations, though it must be confessed their pay was very small. Their reports showed more fish caught than there were in the river. If the hon. Senator from Lunenburg were asked about the number of salmon caught in his County we would believe him, but I have no doubt he would not put the quantity down at less than it was, and, therefore, I think the statistics of the fisheries from the time of Jonah downward, are to be received *cum grano salis*, without any suspicion of wilful or criminal misrepresentation being attached to them. With regard to the value of the fish caught on our coast, we can put Prof. Hind and others out of the question. For one Sunday during which the Americans were prevented from taking fish at Fortune Bay, they claim $103,000. It is possible that the fish might take the bait more freely on Sunday than any other day, but if the claim of the Americans is valid, then I think Prof. Hind may hang up his fiddle and his bow, they having settled the question of value themselves. Although the senior member for Halifax introduced this matter very fairly before the House, I do not think it would be worth while to give an importance to Professor Hind's statements which I assure you is not attached to them in Nova Scotia, and I think we can take up our time with more useful matters than the statements of this disappointed man who, doubtless, thinks that he did not get as much as he was entitled to receive for his services.

Hon. Mr. POWER — The hon. Senator from Lunenburg thought proper to introduce the political element into the discussion, which I had carefully avoided. He tried to represent that if anything wrong had been done it was done under the late Administration, and that the late Minister of Marine and Fisheries was the responsible man. Professor Hind does not contend that the Minister himself falsified the documents. He spoke of the subordinates in the Departments of Customs and Marine and Fisheries having done it. Consequently, my hon. friend's point was altogether astray. I am sorry that this matter has come up; but I do not think it has been brought up any too soon, and I cannot at all agree with the hon. knight who leads the Government in this House in thinking there is anything improper in bringing the matter before the Senate.

Hon. Sir ALEX. CAMPBELL — I said I regretted it being a matter of discussion.

Hon. Mr. POWER — The hon. gentleman says we should not give this man an importance which he does not deserve. The fact is that almost every newspaper you take up has something about Professor Hind's statements. I do not know Professor Hind; I have not the good fortune to be acquainted with him; but the people of the United States do not know him at all. They only know that he is a man who has held a certain number of important positions under this Government, and that he held a position of trust in connection with the Fisheries Commission, having been employed both by the United States and Canadian agents. The natural inference would be that Professor Hind is a respectable man. This man, who occupied that comparatively independent and impartial position with reference to the two parties, having been appointed by both, makes the statement that in the papers put into his hands he discovered certain falsifications. That is a serious charge; and the people of the United States, not having come out of this inquiry before the Halifax Commission in the same triumphant manner they came out of other dealings with the British Government, would naturally be inclined to believe there must have been some fraud or unfair means used to prevent them having the success which had always attended them in former negotiations with the British Government. I think that is probably the way the matter will be looked at by the bulk of the American people. I do not consider that is a matter of little consequence. We have spent hours in discussing the appointment of officers whose pay did not exceed a dollar or a dollar and a-half per day. This is a matter of very much greater importance, not only as regards the past, but because the value of the award is that it will be the basis for future negotiations. I fail to see, then, that there is anything improper or injudicious in this House taking some notice of the matter, and getting an authoritative and satisfactory reply to the statements of Professor Hind. There is another matter which may not be considered important, but still deserves consideration. There are officers of the Government in whose probity I have the utmost confidence. I would no more believe them capable of falsifying public documents than of cutting their own throats. These men are in some cases mentioned, and in others pointed out by Professor Hind. I do not want it to be understood that I am acting on their behalf at all, but it seems to me it is only fair to them that they should be cleared of any suspicion of having acted improperly. Their characters should be like Cæsar's wife.

The motion was agreed to.

The Senate adjourned at 5.35 p.m.

THE SENATE.

Wednesday, January 19th, 1881.

The Speaker took the chair at 3.30 p.m.

Prayers and routine proceedings.

LAVAL UNIVERSITY.

RETURN.

Hon. Sir ALEX. CAMPBELL laid on the table of the House a further return to an address for papers relative to Laval University, and in doing so desired to state that the motion of the hon. Senator from La Valliere (Dr.

Paquet) really did not call for the papers now brought down. They were produced in consequence of a private communication from the hon. gentleman, showing what he anticipated would be brought down. The motion was for—

> "Copies of all Correspondence, Petitions and other Documents addressed to the Honorable the Secretary of State for the Colonies, in England, through the Honorable the Secretary of State for the Dominion of Canada; Also, copy of a memorandum from the Honorable the Minister of Justice to the said Honorable Secretary for the Colonies, the whole concerning the amendment to the Royal Charter granted to Laval University of Quebec, from January, 1879, up to this date."

There was no memorandum from the Minister of Justice to the Secretary of State for the Colonies, nor was there any correspondence addressed to the Secretary of State for the Colonies, but there was a report of the Minister of Justice to the Governor General here, and that, with another document not covered by the motion, were now produced.

Hon. Dr. PAQUET — I am quite satisfied.

BILL INTRODUCED.

Bill (F) "An Act to incorporate the European, American and Canadian Cable Company (Limited)" — Mr. Scott.

The Senate adjourned at 3.50 p.m.

THE SENATE.

Thursday, January 20th, 1881.

The Speaker took the chair at 3.30 p.m.

Prayers and routine proceedings.

THE HALIFAX FISHERIES COMMISSION.

PROFESSOR HIND'S CHARGES.

Hon. Mr. POWER — I wish to call attention to the following item, which is taken from a St. John newspaper. It refers to the subject which was discussed in the Senate on the day before yesterday :—

> "The United States papers say that Secretary Evarts stated that Professor Hind's charges concerning the forged statistics relative to the fishery matter, have been thoroughly investigated by Professor Spencer F. Baird, and found to be unfounded."

Professor Baird was the scientific witness and assistant used by the United States representatives on the Commission.

Hon. Sir ALEX. CAMPBELL — I am very glad to hear the extract read. It shows that the view taken by the hon. gentleman the other day was the correct one, and is corroborated by Professor Baird's view. Does the paper say where Secretary Evarts stated this, or whether it was stated officially ?

Hon. Mr. POWER — It does not.

The Senate adjourned at 3.45 p.m.

THE SENATE.

Friday, January 21st, 1881.

The Speaker took the chair at 3.25 p.m.

Prayers and routine proceedings.

The Senate adjourned at 3.35 p.m.

THE SENATE.

Monday, January 24th, 1881.

The Speaker took the chair at 3.25 p.m.

Prayers and routine proceedings.

PATENT LAW AMENDMENT BILL.

IN COMMITTEE.

The House resumed, in Committee of the Whole, consideration of Bill (E) "An Act still further to amend 'The Patent Act of 1872.'"

Hon. Sir ALEX. CAMPBELL said that he had, some days ago, in accordance with the suggestion of the hon. Senator opposite (Mr. Scott), laid upon the table of the House a schedule giving the names of the patentees who desired a renewal of their patents, and other details, from which it would be seen that in all cases the patents had been allowed to lapse through some negligence, inadvertence or failure to comply with some of the formalities necessary to obtain a renewal.

The cause was set forth in each case in the schedule. If there was any good reason why any of them should not be renewed, he was quite willing to defer to the opinion of the Committee on that point. He did not think there could be any objection to legislation in the direction sought for unless rights had been acquired between the expiration of the patent and the revival of it which might be granted under this Act. It had been supposed that all danger had been provided against by the 3rd clause, which was as follows:—

> "Nothing in this Act contained shall, in any way, affect the right of any person who, previous to the granting of the original patent, as provided by section forty-eight of "The Patent Act of 1872,"—or of any person who, since the expiration of any of the Patents in the Schedule to this Act mentioned, and previous to the date of the revival thereof under this Act, has purchased, acquired, constructed or made use of the invention forming the subject of such patent, or revived patent, to construct, use or sell the specific article, machine, manufacture or composition of matter patented, so purchased, constructed, acquired or made use of previous to the date of such revival.

He thought, however, that it would be better to add something to the clause in the same direction to make its intention more clear and to provide for contingencies which had not been guarded against in the clauses as drafted. He proposed to add the following after the words "1872":—

> "Nor interfere with any right acquired from the patentee, or accrued before the revival of any patent, nor with any user of the subject matter of such patent before the revival."

The effect would be that no person who had used the patent during the time it was lapsed could be interfered with. Still he confessed he had doubts whether, if a patent were revived, a user after that by a person who had used it before would be a contravention of the right of the patentee. The question before the Committee would seem to be whether or not it was advisable in the general interest to allow some of those persons to renew their patents after they had allowed them to expire by accident or misapprehension of the law, or through their own negligence. In one or two cases it would seem clearly to have been an inadvertence rather than negligence. The question was whether it was advisable to renew patents on any of these grounds, and, if so, whether they should all be renewed, and some rule established providing that where the negligence extended beyond a certain length of time the patent should not be renewed, and whether that language of the section which he had read with the amendment which he had also read, would be sufficient to protect any interest, whether by assignment or user that had been acquired between the expiration of the patent and its renewal. These were the main features, and it was on these he hoped to hear the views of hon. gentlemen before proceeding further to deal with the Bill. It had been suggested by the hon. Senator from Richmond that perhaps the Bill might be referred to a special committee. He (Sir Alexander) had no objection to that if the principle were established. He was, however, in the hands of the Committee on that point, and as regards the subject generally.

Hon. Mr. DICKEY said that he had taken the liberty of calling the attention of the House on a former occasion to the peculiar character of this Bill. Perhaps the Committee would bear with him for a moment in still further directing their attention to what he considered to be extraordinary legislation. He was very glad to hear, from the statement just made by the leader of the House, that any criticism he might make on the Bill was taken entirely out of the category of opposition to the Government, because his hon. friend had stated the Government had no particular interest in this measure. Indeed, he was prepared to hear that statement, because he presumed the Bill, as brought up from the office of the Minister of Agriculture, had been prepared entirely in the interest of other parties than the Government. He had on a previous occasion, when criticising the patents in the schedule, assumed as a matter of course that they were patents for short terms — five years — and he had been told that, for aught he knew, the patents might have been for ten years, or a longer term. He found, however, on examining the list, that, in these twenty-two cases, there was only one where the patent was extended beyond five years. With this exception these were applications for the extension of patents which had expired for periods varying from 1 to 7 years. Another singular circumstance that he felt it his duty to call the attention of the Committee to was this: that of these twenty-two applications in the list before them, four appeared to be entirely unnecessary, because they were cases of parties who not only applied but who had paid in their fee before the expiration of the fifth year. He called the attention of the Committee to these several cases to show that this legislation, at all events, had been very crude, ill-digested and hasty in its character, and that many of these parties had slept on their rights for from two to six years. He thought it was a case where the House would require something more than the information they had received before they would consent for a moment to deal with this exceptional state of things. This was not an individual case of a patent that had expired after a period of, say ten years, during the interval between last session and this, when the parties were not in a position to ask Parliament to deal with it. With the exception of two or three, they were all cases which had occurred from two to six or seven years ago, and if the parties had thought proper to apply for a renewal of their rights, they had time enough to do so. But his objection to this legislation went behind all that — these proposed amendments to the Patent Act were directly contrary to the spirit and scope of that Act. He need hardly remind the House that the object of the Patent Law was to protect parties in the use of their own inventions, and not to subject the public to prosecution and persecution for the user of articles which had been in common use. That was the principle of the Patent Law, and he would prove it by referring to the 6th section, which was as follows:—

> "Any person having invented any new and useful art, machine, manufacture or composition of matter, or any new and useful improvement on any art, machine, manufacture, or composition of matter, not known or used by others before his invention thereof, and not being in public use or sale for more than one year previous to his application, in Canada, with the consent or allowance of the inventor thereof."

Therefore, the principle of the Patent Law was that a patent ought not to be granted if the article had been used by others for more than one year prior to his application. In fact, it would lead to endless conflict and litigation if patents were granted for inventions that had gone into common use. To show that this was declared in a more clear and distinct manner, he would refer the House to the 48th section of the Patent Act, which was the one proposed to be amended by this Bill. The last part of that section was as follows:—

> "But the patent shall not be held invalid as regards other persons by reason of such purchase, construction or acquisition, or use of the invention by the person first aforesaid, or by those to whom he may have sold the same, unless the same was purchased, constructed, or acquired, or used for a longer period than one year before the application of a patent therefor, — which circumstance would then have the effect of making the invention one having become public and in public use."

Now, this Bill proposes to deal with cases which, on their faces, were recognized by the 3rd clause of the Bill, as cases where the parties had allowed their patents to expire, and where there had been no patents in force at all for periods of from two to six years. These inventions had been in public use, and had become public property. Should this House, by retroactive legislation, make that unlawful now which had been for years lawful under the existing law? Were they going to pass a law which would place these people at the mercy of men who would have interest enough in the office of the Minister of Agriculture to get an extension of these patents? If this Bill should pass in its present shape, these parties would be at liberty to prosecute any person for using an invention which he had been using according to law for periods varying from two to six years. That was the case in a nutshell. His attention had been called to this by the extraordinary language of the 3rd clause of the Bill, which protected the rights of a man who had used an article before the passage of this Bill, but did not preserve the rights of the general public, or of individuals, who might not have commenced to use it before that time; as, for instance, in case of a young man who was coming forward in life and had used one of these inventions — an agricultural implement, for instance — and might not have been old enough to make use of it yet. His father, or those who had used it before him would be protected by this clause, but he would not be. That was directly contrary to the 48th section of the Patent Act, which provided that after a period of one year the invention became public property, and was no longer the subject of protection by patent. This House was asked to go back for six years because a man had slept upon his rights for that period, and had not attended to his business, and to make it unlawful from this time forth to do that which at present was perfectly lawful and had been for years. The very statement of the proposal was quite sufficient to justify him in applying very strong terms to it. He thought it was only necessary to call the attention of the Committee to this matter to show at once that this was personal legislation which ought certainly to receive very much better consideration from the House than they had yet an opportunity of giving it. Whether they should have such an opportunity hereafter, by means of a committee or otherwise, he left it to the leader of the House to say. He thought that the hon. gentleman must admit the force of the objections which he (Mr. Dickey) had made to this 3rd clause, because he had proposed further amendments; but he (Mr. Dickey) called attention to the fact that the 48th section of the Patent Act, which this Bill proposed to amend, expressly provided that any article which had been in common use for a period of one year had become public property, and was no longer the subject of a patent. Therefore, he hoped that the hon. gentleman would consider this measure more fully before proceeding further with the Bill. He had made these objections in good faith, when the Bill was introduced unaccompanied by detailed information, but, rather, with the suggestion that these were recent patents, which had been taken out a few years ago, and had expired quite recently; but, when the full information was before the House, the measure, to his mind, became more objectionable than ever, and he thought that the Government ought not to press the Bill upon the House.

Hon. Mr. SCOTT said that, in addition to the observation which had fallen from his hon. friend (Mr. Dickey), which clearly showed that this Bill was a reversal of the principle laid down by the Patent Act, he desired to call attention to one or two points. If they were told that all the cases which might fairly come within this proposition laid down by the leader of the Government were included in this legislation there might be some justification for the Bill, but as a matter of fact they were not. This list did not cover all the parties who were precluded by the omission of a day from securing a renewal of their patents, as it was notorious that the business of the Patent Office was mainly transacted through agents, solicitors, either in Toronto or Ottawa. He had been informed by one of those gentlemen that the rule had been regarded so arbitrary and absolute that where parties had applied for the renewal of their patents at the expiration of their term and the application had been received too late, the answer was "it can't be done, the law won't allow it." In many cases, though the papers and fees had arrived only a mail or a day too late, the agent, knowing the rules of the Department, would not think it necessary to send in the application to the Patent Office, but would simply inform the party that he was too late. When this was the case, the schedule did not fairly cover all cases in which patents had lapsed through inadvertence; therefore the effect of this legislation would be to discriminate in favor of that particular class who did business directly with the Department. In view of all these facts, he did not think it was wise to proceed with the Bill. The only way the difficulty he had pointed out could be avoided would be to give the Commissioners discretionary power where the application was made within a limited time after the patent had expired — a month, or six months, or a year — certainly not going beyond a year. It had been plainly pointed out by the hon. gentleman from Amherst that it would be totally subversive of the principle on which the Patent Law was based to go beyond a year. He would not have any objections himself, and he did not think it would act injuriously to the public interest where parties made use of their patents in the interim, and manufacturers should obtain a renewal by giving proof to the Commissioners that they were entitled to it, but he thought it should only be by some general clause, and not by discriminating in favor of particular individuals. He could quite see that where five or six years had gone over it would be highly improper to revive a right that had gone into general use and was not regarded by the general public as an exclusive right.

Hon. Mr. FERRIER suggested that the Bill should be delayed. He wished to consult a friend in Montreal who was thoroughly conversant with the working of the Patent Law, but he was absent from the country, and would not be back for nine or ten days.

Hon. Mr. MILLER said he thought that the hon. leader of the House would do well to postpone the Bill for some time, in view of the opinions that had been expressed by hon. gentlemen, and ultimately to adopt the suggestion which he (Mr. Miller) had thrown out when the Bill was last under consideration, of referring it to a special committee. It was, in fact, private legislation, and such legislation was never allowed to come before Parliament, unless after regular notice, as prescribed by the rules of the House, and by petition. After these formalities, all parties interested had an opportunity to state their objections to any such legislation when it came before Parliament. Therefore, as there appeared to be an impression among members on both sides of the House that this legislation required very grave attention before it became law, it would be wise that some discussion should now take place here as a notice to the public, and at some future day the matter should be referred to a special committee of the House. He could not, however, agree with his hon. friend from Amherst in characterizing this legislation in the manner in which he had done. There might be cases in which it would be proper for Parliament to pass such a bill as this. If it turned out on evidence before the committee that there was even one case among those enumerated in the schedule to the Bill in which it would be proper that power should be given to the Minister of Agriculture to renew a patent, it would quite justify the passing of such a bill as this, but it would be necessary to have more evidence of facts, which should be in the possession of the House, than could be obtained in Committee of the Whole to arrive at that conclusion. Nor could he agree with the hon. leader of the Opposition, who seemed to argue that the Bill was not sufficiently general in its scope and application. In fact there appeared to be a wide discrepancy of opinion between that hon. gentleman and the hon. member from Amherst, although neither of them liked the Bill. The latter considered the Bill vicious in principle, while the leader of the Opposition seemed to think it did not go far enough — that it did not include all the cases that it should include. He (Mr. Miller) did not agree with the hon. member from Amherst in contending that this Bill was against the spirit of the Patent Act. To his mind, it was in conformity with the spirit of that Act. The object of the Patent Law was to afford protection to parties whose genius or talent had called into existence some useful invention for the service of the country, so that it might be made to produce some reward for the inventor. This Bill was merely an extension of the Patent Law as it existed on the statute book. It was intended to protect those parties who had patent rights in certain inventions, and who, through some neglect or inadvertence, had failed to renew those patents under circumstances which would entitle them to do so had their application been made in time. This appeared to him to be carrying out, in such cases as the discretion of the Department thought deserving of it, the application of the principle further than the present law allows. The hon. gentleman from Amherst had also contended that this Bill was contrary to the principle of the Patent Law in so far as the original Act did not permit the issue of patents after twelve months had expired. There was no analogy between the two cases, however, because that law had application to circumstances under which patents had never been issued. Here the law was intended to apply only to cases in which patents had originally been granted, and the circumstances in connection with which justified the re-issuing of the patent for a second term. Therefore, he could not see, either with regard to the first clause or the last clause quoted by his hon. friend, that the principle of this Bill was contrary to the spirit or letter of the Patent Act. He would not undertake to say that it might not be improper to grant some of those patents contained in the schedule to the Bill, but he was now discussing the broad objection raised to this sort of legislation. He did not think there was anything in the objection of the hon. gentleman to the 3rd clause of the Bill as it now stands, because it was a matter of detail, and, if unsatisfactory to the House, could be amended. The hon. leader of the House had intimated his intention of submitting amendments that would more fully cover any objection that could be made as to injustice being done to the public or to individuals by the renewal of those patents. He did not see what more could be desired. His hon. friend from Amherst not only thought that those individuals who had used patents which had been allowed to expire should be protected, but he also wished that those who had never used them, or never had any intention of using them, should be protected. He did not think it would be possible to frame a clause that could meet that objection, because if they were going to protect all who had used these patent rights, and all who had not used them, it would be absurd to place the law on the statute book, as there could be no protected rights with an exemption so general that it included everybody.

Hon. Mr. KAULBACH was very much in favor of the Bill, and thought that the third clause protected the public, because any party innocently and lawfully using a patent, or engaged in the construction or manufacture of the article patented, after the expiration of the patent, would have his rights protected, and the public would have the benefit of competition in the manufacture and sale of the article, whatever it might be. He believed it was in the public interest, and no infringement on its rights, that inventors should be encouraged and protected for a reasonable time in the use of their inventions, and, the rights of others being properly guarded, that patents which had been allowed to lapse by misapprehension of the law or inadvertence, should be renewed. Such action would not contravene the principles of our patent laws. This country, under the National Policy, was developing new trades and industries, and many patent rights which had lain dormant during the period of depression and never come into use would become useful, and the inventors should receive the benefit of the results of their brain work. He hoped that they would not be allowed to suffer through their inadvertence or misapprehension of the law, or when, through no fault of the patentees their application and money for renewals were received a few days too late, as seemed to be the case in the cases contained in the schedule to the Bill, and that in the advancement of the trade and prosperity of the country they would receive some reward for their ingenuity. A general amendment to govern all cases of expired patents should be added to the Bill and not confine its operation to the cases in the schedule.

Hon. Mr. VIDAL thought that the remark made by the hon. Senator from Richmond as to the character of the proposed legislation was one deserving of much more consideration than it had yet received. While he (Mr. Vidal) thought it would indeed be desirable, as had been suggested, to afford relief in cases such as those which had been referred to, he did not think it should be done in the manner proposed in this Bill. He concurred in the opinion that it partook of the nature of private legislation — a certain number of persons asked relief. Had they approached the House in the ordinary way by giving notice of their intention, in all probability, by this time, there might be a great many petitions before the House asking that certain patents might not be revived from parties who had profited by the interval which had taken place between the expiration of those patents and their revival, and had innocently and lawfully manufactured some of those articles that had been patented. He did not think the title of the Bill was a correct one. He did not regard it as an amendment of the Patent Act of 1872, but as a Bill for the relief of certain patentees. If an amendment such as that which had been suggested by the hon. gentleman opposite (Mr.

Scott) could be made to the Bill, to cover the cases which had been referred to as similar to those mentioned in the schedule, but unknown to the Department, it would then be properly entitled an amendment to the Patent Act. He trusted that a little further consideration would be given to the measure, so that it might cover all those cases. He did not know whether the third clause, as the leader of the House proposed to amend it, would guard the interests of those who might have gone to great expense in providing machinery for the manufacture of articles to which these patents related, or whether, when the patents were revived, this Bill would protect them, or they would suffer a loss by their expenditure in that direction. He concurred in the opinion that it would be well to give further consideration to the Bill and perhaps refer it to a special committee, where it might be thoroughly examined and reported upon.

Hon. Mr. POWER was very much pleased to notice that the leader of the House did not seem disposed to insist on the passing of this Bill, and did not propose to treat it as a Government measure, because he thought that the Government would be setting a very bad example by introducing such legislation as this. From what consideration he had been able to give to the Bill, he was led to agree with the views of the hon. gentleman from Amherst. In the first place, the Patent Act of 1872, and all patent laws, were, to a certain extent, infringements on, or lessenings of, the common law rights of the public at large. It was the right of the public to use every kind of invention or improvement; and the public rights had been, to a certain extent, diminished by the Patent Laws, in order to encourage ingenious and skilful men. He thought, however, that the public were entitled to nearly as much consideration as the inventors. Every one of those inventors whom the Bill dealt with had enjoyed for ten years the exclusive privilege of selling and making his patent; and if, through his own neglect, he had failed to get a renewal, he ought to suffer and not the public. There was a great deal of force in the remark made by the hon. gentleman from Sarnia, that probably the amendment to the third section would not protect the people who, after the expiration of some of those patents, had expended large sums of money in purchasing machinery, for the manufacture of such articles, and he thought that that section should be so amended, if the Bill was persisted in, as to provide for such cases. The Government, in passing this Bill, would be setting a very bad example; they would give the public to understand that, although the patent law stated that certain conditions should be complied with, still, the opinion of Parliament was that those conditions need not be complied with — that people could go on and neglect to fulfil the requirements of the law with confidence that they could come to the Legislature at any time afterwards and have the consequences of their neglect removed. If the leader of the House refused to withdraw the Bill, the suggestion made by the Senator from Richmond was the wisest that could be followed. This was, in fact, a kind of omnibus private bill. It embodied about twenty private bills, and was one which peculiarly required to be very closely investigated. He hoped, however, that the course suggested by the Senator from Amherst would be taken, and that the Senate would not assume the position of making laws and then telling the people that they could break them with impunity.

Hon. Mr. BULL said he held in his hand an application from a party whose name did not appear in this schedule at all, and he would like to have an opportunity to include it with the others.

Hon. Sir ALEX. CAMPBELL thought that the hon. Senator from Amherst had done less than justice to the Bill, because, although there was great weight in many of his objections he had not referred to other parts of the Bill, and, from what he had himself said, there were at least four or more—the last in the schedule—which ought to be renewed. The hon. gentleman had contended that to renew a patent which had been used by the public for a year or more after its expiration would be contrary to the spirit of the Patent Law. An answer to this had been given by the hon. Senator from Richmond, in one respect. He (Sir Alexander) would give another; he had, as he stated when he spoke before, prepared an amendment which would cover all cases where the subject of the patent had been used during the time it had lapsed. If this amendment covered every case no evil could result in that respect. He was struck, however, with the objection raised by the hon. Senator from Richmond that this was substantially a private Bill, or, as the hon. Senator from Halifax (Mr. Power) remarked, a series of private bills. The measure, he confessed, seemed open to that objection — Parliament was asked to renew, for a number of gentlemen whose names were mentioned, patents which had expired. It seemed to him that the suggestion made by the leader of the Opposition was one which had much merit in it: it was that, instead of renewing these patents in the way proposed by this Bill, power should be given to the Commissioner of Patents to renew patents under certain circumstances, which might be defined in the Bill. That would meet the case suggested by the hon. Senator from Montreal, and also the class of cases mentioned by the hon. gentleman opposite (Mr. Scott). The Bill might then be referred to a sub-committee, though it seemed to him in that case it would not be necessary.

Hon. Mr. MILLER — Not in that case.

Hon. Sir ALEX. CAMPBELL was glad that the discussion had taken place. He was confident that the House would gladly give relief in such cases as those which he had mentioned, as far as it could be done. He would, after this discussion, move that the Committee rise and report progress, and he would confer with the Minister of Agriculture, so that he would be able to say to the House, when the matter next came before them, what course the Government would pursue in relation to this Bill.

Hon. Mr. DICKEY was very glad that the criticisms which he had made on this Bill had been accepted by the leader of the House in the spirit in which they were offered, and he should have been quite satisfied if all the answers to his criticisms had been as intelligible and as

well considered as the one to which he had adverted. With reference to the remarks of the hon. Senator from Lunenburg, he feared that the hon. gentleman had not read the Bill, and he certainly had not read the Act of which it was supposed to be an amendment, because he had made no reference to the two sections of that Act to which he (Mr. Dickey) had called attention, and made no answer to the arguments founded upon them. With regard to the hon. Senator from Richmond, he had said very truly that the object of the Patent Act was to secure to a person the right to use exclusively an invention. While it was designed to protect the inventor, it was also intended to protect the public in this way: it provided that it patentees did not choose to renew their patents at the expiration of a certain time, they lapsed, and if an article had been in common use for one year, it could not be the subject of a patent. That was clearly laid down in the 6th and 48th clauses of the Patent Act which he had quoted; therefore this legislation was contrary to the Patent Law itself, and the same principle ought to be applied to the renewal of a patent which had expired for one year.

Hon. Sir ALEX. CAMPBELL said the hon. gentleman seemed to forget the amendment which he had prepared for the protection of those who had become users, and which he had read to the House.

Hon. Mr. MILLER said, not only had his view not been controverted, but it had actually been sustained by the clauses of the Patent Act which the hon. Senator from Amherst had quoted. That law was intended to apply to cases where no patent had been issued, and where the article had not been in use for twelve months prior to the application for the patent. The law applied to cases having both these conditions. The phraseology of the Act was not disjunctive. The phraseology of the 6th clause, instead of telling against the point which he had taken, confirmed it. The Act did not, in these particular clauses, have any reference to application for a renewal of patents.

Hon. Mr. WARK, from the Committee,

reported that they had made some progress with the Bill, and asked leave to sit again.

The report was adopted.

The Senate adjourned at 4.50 p.m.

THE SENATE,

Tuesday, January 25th, 1881.

The Speaker took the chair at 3.30 p.m.

Prayers and routine proceedings.

BILL INTRODUCED.

Bill (G) "An Act respecting the naturalization of aliens."—(Sir Alex. Campbell.)

HEALTH LEGISLATION.

MOTIONS.

Hon. Dr. BROUSE moved:—

> "That an humble Address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House, copies of all resolutions from Medical Conventions asking for Health Legislation."

He said: In calling attention to the important subject of health legislation, I am not treading upon new ground. The path has been trodden and well marked. More than 2,000 years ago Plato, in his great work of organization for the government of the city, gave a most important position to the State physician. Without this officer, and the most efficient that could be secured, as a chief of a department of health, the government, in his opinion, was not and could not be complete. What those functions were which this great statesman required the State physician to perform we gather from the writings of Hippocrates, the contemporary of Plato. Hippocrates was appointed State physician to Athens, and greatly aided in promoting her greatness. He laid down the following instructions:—

> "When you have selected the city for your future residence, consider well its situation, how it lies to the winds and the rising of the sun—whether north and south or east and west—consider also attentively the waters which the inhabitants use, whether marshy and soft or hard and running from elevated and rocky situations, and then if saltish and unfit for use. Also the ground, whether it be naked and deficient in water, or wooded and well watered; also whether it lies in a hollow or is elevated and cold, and then ascertain the mode of living of the inhabitants, and their pursuits. If you have thoroughly investigated these matters then you will have no difficulty in understanding all the diseases prevalent in the city and how to manage them."

Here we have, more than 2,000 years ago, an eminent statesman modelling his government, and, when defining its several departments, marks out as one of the most important that of State Medicine. We also find his intimate friend and counsellor, Hippocrates (the father of medicine), organizing and controlling that department. And, from the above quotation, we learn how graphically this great Minister of the department of health laid down the salient points for the guidance of his subordinate officers. A writer remarks that we have come to realize in our own time, in the more important features of a liberal government, many of the characteristics of the successful republic of Plato, but, in the organization of the department of State medicine, we have as yet failed to realize the model Health Board of Hippocrates. The subject of health legislation is not only important and apparent, but, in order to appreciate its full value, it will be necessary to consider some of its bearings in detail. I shall ask the indulgence of this hon. House while I briefly refer to the following points: What is hygiene? What nations have legislated for public health? What has been accomplished by such legislation? What may be accomplished by wise health legislation? What are the just demands of the people? What are the responsibilities of a government? Hygiene is of two kinds, private and public. It is of the latter I shall speak. Public hygiene interests all classes of the community. It has to do with persons of every rank, of both sexes and of every age. It takes cognizance of the places and houses in which they live, of their occupations and modes of life, of the food they eat, the water they drink, and the air they breathe. It has to do with the physician and his patient, the statesman, the scholar and the divine, the farmer at his plough, the artizan in his workshop, the miner in his pit, the student at his desk, the mariner on the ocean, the condemned in his cell. It is not only a study, but it is a large and comprehensive science. It unmasks the hidden poison that desolates our cities. It offers protection from destructive epidemics. It teaches a remedy that stays the shaft of death, and secures to the thoughtful and attentive citizen a healthy, a happy and a prosperous home. This science, that claims such kindred to the subject, has naturally engaged the attention of a wise government. England's great statesman, in his official position, has stated that the first duty of a statesman is to legislate for the health of the people. Great Britain stands preeminently in the front ranks in her attention to preventive medicine. Chadwick, Simon, Grey and Farr were the heralds who summoned our parental nation to answer for its profligacy of human life. Their efforts were successful. Since 1842 more than fifty public health bills have passed the House of Commons in England. I may particularize a few of the more important: her Public Health Acts of 1848, the Nuisance Removal Act of 1853, the Local Government Act of 1858, the Sanitary Act of 1866, the Public Health Act of 1872, and the revised Public Health Act of 1875. These Acts, together with others not enumerated, have completed and established on a solid foundation an efficient system of public hygiene, with 15,000 sanitary districts and the requisite number of sanitary officers. France also has carefully considered the great question of State health legislation. The Government of that country has made itself responsible for the health of the people. A department of health has been established. In the formation of a government and the distribution of officers, special care is manifested in selecting a minister who is well qualified to fill the place with efficiency. The result throughout France has been most satisfactory. A remarkable and marvellous decrease in the yearly death-rate has been effected. In 1842 their most important legislation resulted in passing a wise health bill. At that date the death rate was 1 in 36 per thousand, while in 1862 it had been reduced throughout France to 1 in 39 per thousand, and in the next decade, through wise sanitary legislation, the death rate was reduced to 1 in 47 per thousand. Let us analyse this result:

	Aggregate.
1842—Death rate 1 in 36 per 1,000 for 40,000,000	1,120,000
1862—Death rate 1 in 39 per 1,000 for 40,000,000.	1,030,000
1872—Death rate 1 in 47 per 1,000 for 40,000,000....................	850,000
Difference from 1842 to 1862. 90,000 lives saved.	
Difference from 1842 to 1872. 270,000 " "	
Or 26 per cent.	

Prussia, ever jealous of her growth and greatness, both in military prowess and internal development, is shadowing France in her health legislation. She fully recognizes what can be accomplished by wise sanitary laws. Not only has she established health officers throughout her provinces, who are responsible for the health of the people in their localities, but she has instituted an imperial board of health at her capital, which controls all matters of a sanitary character throughout the empire. What has been said of the results in France may also be said of the great work accomplished in Prussia. Austria, Russia and Italy are vigorously moving in the same direction. This question was considered of such magnitude and importance that Italy, during the last summer, held a sanitary convention at Turin, to which sanitarians from all nations were invited, to discuss the great questions of public hygiene. I will now proceed to consider the question of what has been accomplished by health legislation. Here is a wide field for our consideration. Almost every progressive nation has turned its attention to this work of reform. Our own country constitutes the exception. It is true some individual effort has been made to cause public attention to consider this important subject. Some of our medical journals and particularly a sanitary journal published at Toronto, and ably edited by Dr. Playter, have done something towards directing the mind of our Canadian people to the question of public hygiene, but these efforts have received no assistance or encouragement from our Legislature, nor could they expect to be successful in their individual and unaided work — a work that requires a nation's resources to ensure success. In looking over the range of sanitary reform, I am still hopeful that, in the near future, Canada will awaken to the importance of legislating for the health of her people. Our American cousins have accomplished much through health legislation. The State of Massachusetts every year, at its first meeting of the Legislature, selects her best representatives to act as a health committee. All the necessary powers are given to them to secure sanitary reforms. In a few years, as the result of their legislation, we find the death rate in that State reduced 16 per cent. Michigan, twelve years ago, imitated the example of Massachusetts. The Legislature took the philanthropist, the sanitarian, to her confidence. Ample means were supplied, a State health board was established, and the work of reform vigorously carried on. The death rate of Michigan has been reduced 15½ per cent. I might refer to many more individual States across our borders to show what has been accomplished. Most of them are alive to this important work. Reference should be made to Colorado. Almost from the first settlement in that State a persistent effort has been made to impress on the mind of the public the healthy and sanitary influence of the climate and soil. The State has been largely peopled through this influence, and to-day Colorado may be considered the grave-yard of the Eastern States and Canada. I do not hesitate to assert that we have lost thousands of our best citizens by not showing the same zeal to impress upon the people the fact that we possess within our borders all the elements of health which make life and residence desirable. To demonstrate clearly what has been accomplished through health legislation, I must particularize in some degree. England, as before mentioned, in 1842, actively engaged in sanitary legislation. Dr. Latham in his admirable treatise mentions the results of sanitary efforts in twelve towns. I will instance five of them :—

	Before Legislation.	After Legislation.	Saving of Life.	Decrease of Typhoid Fever.	Decrease of Consumption
Cardiff........	32	22	32 p.c.	40 p.c.	17 p.c.
Croyden......	23	18	22 "	63 "	17 "
Merthyr	33	26	18 "	60 "	12 "
Newport......	31	21	32 "	40 "	11 "
Salisbury	27	21	20 "	75 "	49 "

Liverpool 38½ before legislation, changed to 26 after legislation; a reduction of 33 per cent. Manchester 37 before legislation, changed to 27 after legislation. Glasgow from 34 before legislation, changed to 27 after legislation.

Dr. Buchanan, one of the most eminent sanitarians, reported that in 25 cities and towns under his supervision, the death rate had diminished, in some 25 per cent., and in others 33 per cent. Again, all the reports give this assurance, that in all their cities and towns, the average age before legislation was 22 years, while it afterwards increased to 27 years — showing a gain of 20 per cent. in prolonging human life. It is only necessary to refer to the great metropolis, London, to see what can be accomplished by sanitary health legislation. The death rate of that city was 42 per thousand; to-day it registers but 22 per thousand. The mortality from consumption alone has been reduced from 49 to 10 per cent. To-day that densely populated city is more healthy by 25 per cent. than our own highly favored cities, neglected as they are, and have been, by the Legislature controlling the destinies of our Dominion. Take for instance our highly favored commercial city, Montreal, with the Ottawa River behind her, the crystal waters of our noble St. Lawrence in the front, and fanned by the mountain breezes; and yet you will find to-day the death-rate 35 per cent. higher than the death rate in the great city of London, with her sluggish and contracted river Thames. I must here pause to congratulate the City of Montreal in already having reduced, through sanitary reforms, her death rate fully 25 per cent. within the last five years. I have mentioned that the death rate from consumption in London had been reduced from 49 to 10 per cent. Professor Grey, an eminent sanitarian, who was appointed on a commission to investigate this question, after making full inquiries, has penned this living sentence, "I am fully impressed that throughout England and Wales that of the 36,000 deaths yearly from consumption, 5,000 could have been prevented." Consumption may be considered our national disease. It prevails with a fearful sacrifice in some of our localities. This significant appeal should be heeded by every member of our Canadian Parliament, that nothing should be left undone to turn aside so great a calamity. The swollen death rates of our cities and towns appeal to us for action for sanitary legislation. What can be accomplished by public hygiene? In order fully to bring this question properly before this hon. House, I must consider three points involved in the subject under discussion: Life, health and money. Dr. Simon (none better qualified to bear testimony) has said "that one-third of the deaths in England could be prevented." If the remark can be applied to England truthfully, after the reduction in the death rate that has been made there, may it not be said with double force of our own Canada? Let us take the statement and present the result. Our population is about 4,000,000. Call our death rate 20 in the 1,000 yearly. The aggregate deaths for the Dominion would be 80,000 yearly. If Dr. Simon's statement applies to us we would have 26,666 deaths yearly that could have been prevented. Instead of one third, I will take one quarter of the death rate as preventable — one quarter of 80,000 will give us 20,000 yearly as preventable deaths. Our governments are buried deep in thought how best they can secure a large immigration. Immense sums of money are taken from the Treasury to accomplish this object — and I am bold to say that we lose, in the aggregate, as many through preventable disease as we induce to become permanent residents from our emigration agencies. I appeal to the Canadian sentiment if we should not feel as deep, if not a deeper, interest in protecting those lives that are near and dear to us, as we should for the immigrant stranger who settles upon our shores. As regards the consideration of health, it has been computed and satisfactorily shown, that for every death there are 20 severe cases of sickness. Also, that each severe case of sickness consumes about 20 days. We have 80,000 deaths yearly. Multiplied by 20, the number of severe cases of sickness to each death would give 1,600,000 severe cases of sickness. Each severe case of sickness, lasting about 20 days, on an average, would then make 32,000,000 days of sickness during each year for the Dominion. Again, to prove that this calculation is correct, we will take the estimate of France and Germany. According to their returns there are 8 days' sickness to each individual, averaging the whole population: 4,000,000 of people in our Dominion, at eight days' sickness for each, would give us precisely 32,000,000 days of sickness, and similar to the first mode of reckoning. The remark of Dr. Simon, that one third of the deaths are preventable, will also hold good when applied to sickness. Our calculations have been taken at one quarter instead of one third. One fourth of 32,000,000 days of sickness gives 8,000,000 days of sickness that occur yearly in our Dominion that could have been prevented through sanitary legislation and a careful observance of sanitary laws. I will not tarry to depict the amount of pain and misery connected with those 8,000,000 days of sickness, nor refer to the poverty and crime as the result of this aggregate of sickness, but will ask hon. members to bear in their memories the living assertion of Dr. Simon, Health Officer of England, that all these 8,000,000 days of sickness may be prevented by a wise government. I will now consider the money aspect. Here I may strike a chord that may move those in authority. Although we know that governments are largely unsympathetic — even credited with having no souls — it has been computed by careful sanitarians that each severe sickness costs, on an average, $40. I have shown that there are 20 severe cases of sickness to each death; that the number of deaths in the Dominion yearly is 80,000. This 80,000 multiplied by 20 equals 1,600,000 severe cases of sickness, and that multiplied by $40, the cost of each sickness, amounts to $64,000,000, which amount represents the cost of the sickness yearly in Canada. One fourth of this is preventable, making the annual loss which could be saved, $16,000,000. Again, it is estimated that each day's sickness costs $2. That there are eight days' sickness, averaging the whole population; this gives $16 for each person yearly, and our population is 4,000,000. Here we have again the cost of sickness $64,000,000. The two modes of computation bring the same result. It must here be observed that this loss of $16,000,000 is not the only loss; there is an indirect loss — during those days of sickness, nothing is added to the wealth of the country.

Again, our aggregate deaths are 80,000 yearly. About 40,000 occur previous to the age of 21 years. It is also ascertained that these 40,000 who die under the age of 21 years, reach the age of 4 years, on an average. If we multiply the 40,000 by the average, 4 years, we find 160,000 years. It costs not less than $50 per year, on an average, to maintain, clothe, feed and educate those 40,000 who die under 21 years of age. Multiply 160,000 by $50, cost of each year, and we have the result of $8,000,000. One quarter of this loss can be prevented by proper sanitary legislation. The foregoing is a direct loss, for it refers to that class who are not producers, but consumers. I will now turn to the indirect loss caused by death under the age commonly allotted man. According to various estimates, the cash value of each adult life to the nation has been fixed at $1,000. As about one half die under the age of 21, we will place the cash value of each citizen at $500. Our aggregate deaths are 80,000 yearly; our cash loss, at $500 each, would show $40,000,000, one-fourth of which, according to the estimate of Dr. Simon, is preventable. Now, hon. gentlemen, I have made these computations, and they are correct. They are facts that cannot be disputed, and I will, therefore, proceed to another point already mentioned. What are the demands of the people, and what are the responsibilities of the Government? A deeper interest is manifested in this subject as year follows year. We find in our own country, at the present time, a deep interest is manifested in the great question of health legislation. We find not only individuals, but the public press of the country, taking up the subject for discussion, and demanding that the Government should move in the direction of public health legislation. I was very much pleased to see recently an interesting editorial article on the same subject in a St. Catharines journal, and I hold in my hand a copy of the London *Free Press*, a paper that is widely circulated, in which I find, also, a very able article on that subject. In view of these facts, the time will soon arrive, if it has not already arrived, for the Government of Canadá to take some action on this question. Not only do we find the press of the country taking a deep interest in this matter, but we have seen that it has been discussed by almost every assembly of medical men that has been convened during the last two or three years since this question has been agitated in the legislative halls of Ottawa. Every electoral division of medical men has passed resolutions asking that the Government should institute health legislation, and when the Medical Council for the Province of Ontario met, they also passed a resolution demanding that some action should be taken by the Parliament of Canada. At a recent meeting of medical men, probably the most important that has ever taken place on this continent, or in the world, that of the year 1876, in Philadelphia, when representatives of every civilized nation on the face of the earth assembled, the great questions with regard to health were discussed. An important resolution was passed at that time, recommending that a bureau of sanitary science should be established at Washington; and they demanded that the Government at Washington should institute a department of health, presided over by a minister, so that the sanitary condition of the people should be properly cared for, and at that very convention a resolution was passed, and, I believe, forwarded to Canada. I have asked for that paper, demanding that the Government here should also establish a department of health for the same purpose. Not only are individuals, the press and medical conventions demanding this, but we see a deep interest also manifested in it in our colleges. Every well organized institution of any standing in the medical department throughout Canada and other countries has established a chair of sanitary science, in order to educate students particularly in this great question of preventive medicine. I know that many think that this question should be left to the physician. I have seen it stated that this was a work assigned to the physician. No greater mistake could be made. The duty of the physician is to stand between the grave and his patient. He is called to the bedside to treat disease as it is placed before him. It is the duty, hon. gentlemen, of the government, to arrest the arrow before it inflicts its wound upon the victim. That is the position that the legislature should take so far as legislation goes, and it is the duty of the physician at all times to combat disease. There is no class of men in the wide world who are more willing to take their lives in their hands to attend at the bedside of the suffering and devote their time, their talents and their lives even to the healing of the sick and the allaying of pain, but it is the duty of the government to take a higher and another position. I find in the Chicago *Medical Gazette* a statement which I shall read, with the permission of the House. It is as follows :—

> "Experience and common sense alike declare that it is as much the province of government to protect its citizens, in so far as possible, from disease and death, as it is to guard them against the depredation of the lawless and criminal class. The fundamental object of all government, indeed, is to protect life and property; and it is just as essential that the citizens of large cities be protected by government against the manifold and mortal dangers of illy-ventilated tenement-house vaults, as that they should be protected against incendiaries, thieves or robbers. The poor have no houses to be protected by the fire department, and no property to be protected by a police department. The only property possessed by the great mass of the poor, who occupy tenement houses, is their health and ability to work, and, by their daily toil, to earn their bread. Is it not the duty of their government (for it is the people's government after all) to protect, in every proper way, that health and capacity to labor? Nor should it be forgotten that such protection operates as the protection of the rich as well, for the pestilence that begins in the hut does not stop at the threshold of wealth."

That this work is important, and that individuals consider it so, I will quote from a statement by Mr. Jackson S. Schultz, a merchant of New York city, a man of prominence there, when referring to this question of health legislation after the city had instituted a department of health. Mr. Schultz states that :—

> "The loss in money to that city, between 1822 and 1840, on account of errors in quarantine, originating with the epidemic of yellow fever in 1822, was at least $100,000,000. Further, the feeling among merchants was such that if there were any danger of falling back upon those old practices they would be willing to maintain a State and a National Board of Health for the purpose of promulgating correct views regarding public sanitation."

The point now is what should be done by the Government? I hold, hon. gentlemen, that the Government should institute a department of health, having a minister at its head, with proper subordinate officers, to consider this great question. I will now refer to some remarks made by a gentleman whose name is no doubt well known to most of you, Dr. Howard, of Montreal. In addressing the Medical Convention from the whole Dominion, held in September last, on this very question, he said :—

> "If it be true that under Confederation the care of the public health is a function of the Provincial Legislature, and beyond the power of the Dominion Government, then it appears to me that the first step to be taken should be to establish a central or National Board of Health, to which should be assigned, amongst other duties, the preparing a comprehensive plan for a national public health organization, to be submitted to the Federal and the Provincial Legislatures for their approval; the obtaining information upon all matters affecting the public health; the advising the several departments of the Government, and the executives of the several provinces on all questions submitted by them, or whenever, in the opinion of the Board, such advice may tend to the preservation and improvement of the public health; the securing the establishment of a board of health in each province, whose functions shall be performed in accordance with the plan prepared by the Central or National Board; the guiding, advising and assisting the Provincial Boards and securing their co-operation in the obtaining of regular periodical reports upon all matters of State medicine; the combining and summarizing in annual reports all the information and facts contributed by the several Provincial Boards of Health, and by any other municipal health organization, or other source. The Central Board should probably consist, as suggested by Dr. Richardson, of a physician, a surgeon, a physician with practical experience as a health officer, a chemist, a veterinarian, a statistician, a sanitary engineer and architect. These should all be men of first-rate qualifications, and should receive compensation during the time when actually engaged in the performance of their duties, and if the President of the Board were given a seat in the Cabinet, as Mr. Stansfield was in Mr. Gladstone's last Administration, and as Mr. Dodson has been in the existing Administration of the same distinguished statesman, then the influence and usefulness of the National or Central Board of Health would be greatly increased, and its success secured. The health of the people would then be recognized to be as much a primary and special care of the Government as the wealth of the people."

I would also refer to some remarks made on the same subject by Dr. Botsford, a celebrated physician from St. John, New Brunswick, on the same occasion :—

> "As a profession we have clearly and fre-

quently brought this subject of vital statistics before the country, and no blame can attach to us if efforts are not being made to do away with the annual loss of ten thousand human lives; and yet, as citizens, we have to blush for our Dominion, which either from ignorance or wilfulness neglects to grapple with this momentous question."

It has, again, been argued that this question is one which should be dealt with by the local governments. I know that that opinion has prevailed, but I consider that this Government can legislate in that matter so as not to interfere with any legislation that may take place with regard to health in the various provinces, in this way: let the provinces have their boards the same as they have in Germany; let them legislate as they do in the principalities throughout Germany, and send their reports here to the department of health, and let this be a common storehouse of information, where the facts connected with the sanitary condition of our country may be tabulated, and from here let those facts go forth to educate the people and instruct them how they may preserve their health and their lives. In this way there need be no conflict of jurisdiction or authority. If I am in order, I will now refer to a speech made in the other branch of the Legislature by a distinguished member of the present Government, Hon. Dr. Tupper, in reply to some remarks that I had made in the House as to the right of Parliament to legislate on the question of health. I think I have the right to quote his remarks, in order to show the interest that he then manifested in the subject, and I certainly had hoped that we would have before now some act to show that the Government were determined to legislate on this question. Dr. Tupper, at that time, said:—

> "He felt it was a matter of regret that the subject of the public health had not been under the purview of the federal power. The hon. member for Grenville had shown, by a very moderate calculation, something like $15,000,000 a year might be saved to the wealth of the country. Suppose the saving were placed at half that, a small portion of it would pay for the attention to be devoted to this question, and the advantage would be great in rendering it more attractive as a country to reside in. From the lowest point of view—the financial—the question assumed a gigantic character. It was not exaggerated in any degree by the hon. member for Grenville."

I think, therefore, we have a right to expect that something will be done by the present Government. I am not, hon. gentlemen, wedded to politics to such an extent that I am not prepared to sink everything else for this question, that soars higher than all others together, that of how to save human life. What, then, should be the special function of the department of health? It should be, first, the organization and management of methods of collecting vital statistics; second, the directing of inquiries into the causes of prevailing diseases and epidemics; third, the investigation of permanent sources of sickness in localities, cities and towns; fourth, co-operation with local boards in the abatement of nuisances, and in the improvement of local conditions affecting public health. I may add that, under the last function, this department would be prepared to take cognizance of the important matter of the adulteration of food. The adulteration of food in our country is assuming gigantic proportions. The usual adulterations of food and drink are divided into three classes: dangerous adulterations, deleterious adulterations and fraudulent adulterations. Hon. gentlemen would scarcely credit, unless an analysis was made, the extent to which ourselves and our families are consuming deleterious food day by day. We find lead in canned vegetables and meat; corrosive sublimate in the rind of cheese; poisonous colors (such as arsenite of copper and chromate of lead) in candy and confectionery; caustic lime in lard; analine colors in fruit jellies, preserves, sausages and wine; salts of tin in sugar; *coculus indicus* and tobacco in beer and ale; salts of copper in pickles; sulphuric acid in vinegar; alum in bread and baking powder; oxide of iron in cocoa and chocolate; red lead in cayenne pepper; spirits of turpentine in gin; chromate of lead in mustard; red ferruginous earths in annato; red lead in currie powder; Prussian blue, black lead and salts of copper, in tea, etc. Hon. gentlemen would be astonished to see the fraud that is carried on in this respect, and these frauds should be looked after by some persons or department responsible for the health of the people. There is also another source of injury to our country which should come under the operation of this department, and that is the practice of sending undeveloped children into manufactories for long hours of labor, and thus destroying valuable lives. There is also the question of sending children to school at too early an age. All these matters should come under the control of a department which should hold itself responsible for the health of the people. I have probably detained the House longer than I should have done, but I am not without hope that something may be done in this matter of public health legislation. I feel that I am committed to this subject. It is dear to me, and I look forward to the time when the voice of the people will demand that the Government shall take a step in the right direction. I know that all reforms are slow of growth; we have seen it in the history of the past. Wilberforce labored year after year before he succeeded in striking off the shackles from his fellow man. Howard traversed Europe, going from dungeon to dungeon and cell to cell, in order that he might bring to light the cruelty that was done to humanity under sanction of law; and although his bones now lie bleaching on the shores of a foreign land, his memory still lives in the minds and hearts of his fellow-countrymen. I hope the Government will take this matter, that is of so much importance, into their hands, and if they will accomplish the object I have advocated they will find that the country is prepared to sustain them in so great, so noble and so glorious an effort.

Hon. Dr. PAQUET (in French) — I have seconded with the greatest pleasure the motion of my hon. friend. You have all appreciated, no doubt, as I have, the admirable manner in which he has discharged his duty, and rendered mine comparatively easy, for which I thank him doubly. My hon. friend has perfectly succeeded, I hope, in convincing this hon. House of the necessity of sanitary legislation — that it is necessary there should be an organization, of which Ottawa should be the head, and of which the local legislatures throughout the Dominion should be important members. Consult the history of all civilized countries throughout the world, and it will be perceived that they all appreciate the necessity of a similar organization, and it is due to their sanitary measures that we are able to point with satisfaction to the fact that the average longevity of the human race, which was in 1800 but 28 years, is at present 34 years. Should we be indifferent to a question of such magnitude, and the only country not to recognize the importance of the services which could be rendered to the public by such legislation? No, we cannot ignore or misunderstand our dearest interests in this direction. What is health? It is a blessing of which we discuss learnedly; to which we pay no attention while we have it, and which we vainly regret when we have it no longer. Let us take up this question of sanitary science, and endeavor to make ourselves wiser than those who have preceded us. Does there exist a more beautiful work of legislation: "Do unto others as you would that others should do unto you." That is the perfection of human effort, and can all the great works which have been accomplished by Legislatures be put in comparison with one so admirable as that of preserving for a longer period the most sublime work of the Creator? How many precious lives, whose premature loss we deplore, could have been saved if the proper hygienic measures had been adopted in time and applied in an intelligent manner? Efforts have already been made by my hon. friend and myself in another chamber, but the fear of want of jurisdiction has prevented that movement from meeting with success. When we are convinced of the necessity of such legislation can we any longer hesitate? Is not the office of minister of public health as necessary as the portfolio of the President of the Privy Council? Could we not combine with the latter the title of Minister of Public Health, of which he is himself such a striking illustration? Some may raise the question of expense. Well, for my part, I say it would be almost nothing, and there would be no necessity to bleed the public treasury. Have we not already a Department of Agriculture and Statistics; a staff organized which, with a very slight increase, would be able to fill perfectly the blank of which we complain? As for the rest, the expenses would be nothing in comparison with the results. Amongst the benefits which we would secure by such legislation would be improved quarantine, which is much needed; the rendering more healthy of infected centres, the suppression of epidemics, the perfect knowledge of their progress, knowledge of the medical constitution of the different parts of the Dominion, its medical geography, the registration of vital statistics, etc. For the present moment, I would wish that the entire Senate were composed of doctors, and our object would be gained; but I can count as safely upon the high intelligence of its members, belonging, as they do, to all professions and classes of society, who will not desert us in this important matter, and will aid us to achieve success. Let us remember, hon. gentlemen, that we have in our midst contagious zymotic diseases almost constantly, and that the means which we propose to adopt is the only way to eradicate them. I do not propose to rest my case upon quotations and figures, in view of the fact that they would be the same as those with which my hon. friend has so perfectly demonstrated his argument. It would be a repetition of which I am incapable, and which you would not desire to hear. I will content myself with adding that we should not remain behind other legislative bodies throughout the entire world; that all the medical authorities demand the adoption of sanitary laws, and that, in September last, to mention but one fact, the great Medical Convention held here, in Ottawa itself, insisted at great length, and entered upon the minutes of its proceedings, a petition that the Federal Parliament would take such steps as were within its power to establish for the Dominion a central bureau of public health and vital statistics. I unite with them in expressing my most ardent desire that this should be done, and this is why I have so gladly seconded the motion of my hon. friend.

Hon. Dr. ALMON — My professional brother from Prescott has, in his able way, addressed you on this important subject, and covered all the ground. He has left very little for me to say. I have no doubt that the hon. gentleman who succeeded him, and who seconded the motion, but whose speech, being in French, I am ashamed to say I did not understand, has also given much information on the question, and the Government will see the propriety of having medical men in this body. There is a vacancy, just now, for Ottawa, and I should be very much pleased if it were filled by the appointment of a medical man, and I should like to see all vacancies as they occur filled in the same way, until this body should cease to be called the Senate, and become known as the Doctors' Commons. There would not be the slightest question but that much might be done in the way of sanitary legislation. In my native city of Halifax, I remember well when typhus fever was prevalent; and why was it so? The city lots had a frontage of thirty feet and a depth of sixty feet. The houses occupied the full frontage of the lots and extended back about forty feet from the street, leaving a yard twenty by thirty feet, in which could be found a well of drinking water, other buildings necessary for the house and a pig-stye. What was the effect? The water that the people drank was contaminated with the sewerage and other ejecta of the house and the soakage from the pig-stye, and typhus fever prevailed. I think almost everyone in Halifax of my acquaintance, when I was a young man, had had typhus fever, and very many were carried away by that disease. But eventually the styes were done away with, and pure water was brought into the city from the lakes, and now the disease has almost disappeared. Malignant diphtheria is a disease which appals every medical man. He feels when it enters a house (I regret to say) that what he can do is often of no avail. What is the cause of it? Invariably I find where it appears that there is something wrong with the drain — there is a leak most commonly in the kitchen sink drain, and a dark mud can be found composed of decomposed vegetation and animal matters from which the disease originates. Under proper supervision that would be prevented. Take a thing which you all know something about, and which certainly, if there was a sanitary commission or board of health, would be prevented — the condition of Pullman cars. I came up in one from Halifax to Quebec the other day, and paid $5 for the accommodation. What did I find when I entered the car? The mercury in the car would have been 80° or 90°. I appealed to the conductor of the car to lower the temperature, but he said, "It is not too hot; I find it cool." If the Prophet Daniel had not told us that Shadrech, Meschech and Abednego were of the neuter gender, and therefore unable to propagate their species, I would have said they were the progenitors of Pullman conductors in Canada. I appealed to him to open one of the ventilators. He said that he could not do that; there would be a draught on the bald head of an old gentleman who sat under it. I asked how the thermometer stood. He replied there was no thermometer. Then I asked him for a drink of cold water. He took a tumbler that the passengers cleaned their teeth in, and brought me a drink out of the cistern that was within three feet of the furnace with which this child Shadrech heated the car. I tried to drink it, but found it impossible. I said, "Why don't you put ice in it?" He said, "Ice can't be got," although the mercury was below zero, and the snow covered the ground. I asked him to get me a drink from the cistern at the front dressing-room. He said, "I can't get it; ladies there." This was the experience by day. At night you are put into a berth about three times the size of a decent coffin. It is six feet long and about three feet high, the upper berth being let down. You call for the intelligent darkey who assists the conductor and ask, "Can't that be put up?" He replies, "No; we are not allowed to do that." This is to get another $5 out of you. The poorest beggar in the hospital in Halifax is allowed a certain number of cubic feet of space; but in the Pullman car you are not allowed as many cubic inches. The curtains are closed about you and thus you are tortured through the night. If those who are connected with the Pullman cars are not made to answer for it in this world, by some commission such as my hon. friend speaks of, they will answer for it in the next. Even in the black hole of Calcutta, such torture was not inflicted upon the prisoners. In the Pullman the upper berth is let down on you in order that you may inhale your own carbonic acid gas. In the night the darkey, with his kerosene lamp, the effluvia of which is strongly suggestive of tomcats, walks up and down the car in front of you. How can you sleep there? I am not a delicate man, but I must confess, after my journey from Halifax, I was laid up for two day from the effects of this torture on the Pullman. Imagine the quality of the air you breathe when you have in the same car with you persons just recovered from small-pox or scarlet fever; how diseases must be spread in that way, and how many deaths must result from these Pullman cars! If a bureau of health was established, I would suggest that a director of the Pullman Car Co., or the Grand Trunk Railway Co., should be put into the space I have mentioned — six feet long by three feet high — and told he must stay there for twelve hours. Would not that be proper punishment? I think it was Sydney Smith who said that railway accidents would not cease until a bishop or a member of Parliament was killed in one. So I believe, unless you put a director of either of these companies — I am not particular which — into the torture I was subjected to, and am likely to undergo again ere many weeks, you will not prevent these practices until a bureau of health is established.

Hon. Sir ALEX. CAMPBELL — I do not think we shall all agree in the wish expressed by the hon. gentleman from La Valliere, that the House was composed exclusively of medical men, but I am sure we all rejoice that there are medical men amongst us, and never have we had more cause to feel graetful for the fact than this afternoon, since we have had a very instructive and useful essay, if I may so speak, from the hon. member from Prescott on this important subject. Admitting the value, as I do, and, as I am sure, every hon. gentleman who has heard it will do, of the hon. gentleman's suggestion on this important subject, and the desirability of dealing with it; and admitting also the results which might probably — I might say certainly — be obtained from dealing with it; yet the practical difficulty comes up in the circumstances to which the hon. gentleman alluded — that the Constitution has placed the control and duty of dealing with public health in the hands of the local legislatures, and not in the hands of Parliament. The hon. gentleman thinks that probably there might be some means of overcoming the difficulty as regards the constitutional question, and quotes the opinion expressed in the other branch of the Legislature by Sir Charles Tupper with respect to it; but, as I heard the quotation, it seems to me that Sir Charles Tupper did not think or say on that occasion that this Parliament had control of the general subject of health. On the contrary, he expressed his regret, if I heard the quotation aright, that it did not come within the purview of Parliament. I am afraid that that is the case. I am assured that the subject is placed within the control of the local legislatures, and that my hon. friend's appeal should rather have been to them than to us. Nevertheless, I am conscious that perhaps some different views may be held, not only by my hon. friend, whose views are entitled to great respect, but also by legal men, who may have studied the Constitution with a knowledge which, I am sure, he does not assume to himself, and opinions may be held by them more akin to his than the views I hold myself. I have heard it urged that the measures to be adopted to this important end are measures which can only be useful if carried out throughout the whole Dominion, and on that account may come within the purview of this Parliament to adopt them, and that no local legislature could deal with the subject so usefully as the Dominion Parliament could. But if the hon. gentleman will think for a moment on the various measures which he has suggested as necessary to be put in practice by a board of health, he will see that unless the law is clear as to the right to confer the required power, no useful legislation could be had from any quarter—the power of investigating the origin of disease which would need to be placed in the hands of the bureau. He advocates the examination of drains, the examination of residences, and of persons, the examination of questions connected with the whole subject, in all its various minutiæ which he has described. These could only be followed out and pursued by a body endowed with local authority, and that local authority must be sought from the proper source; and, if I am right in my opinion that it rests with the local legislatures, it is manifest that nothing but confusion and disorder could result from any legislation here. But considering the existence of the other views to which I have alluded, and which are entitled to respect in this point, and recognizing fully the importance, the value and the desirability of dealing with it, I will take care that sufficient representation is made to the Government of the views to which such eloquent expression has been given in this House; for whether it comes under our power to deal with the subject or not, the opinions which have been put forward by the hon. gentleman and his colleagues of the medical profession in this House should and will have their just influence in the community. I say I will take care that they are properly brought under the notice of the Government, and every consideration given to the suggestions the hon. gentleman has made. I am sure the importance of them must be recognized at once by the Government, and by every government and legislature, and the question with everyone would simply be as to which power has the authority to deal with it, and there would also be the question of expense. I am sure I speak the sentiment of everybody who has heard the hon. gentleman who presented the subject for consideration when I say that the House is much indebted to him for the interesting remarks he has made on this important question. The Government readily assent to the proposed address.

The motion was agreed to.

Hon. Dr. BROUSE moved:—

"That a message be sent to the House of Commons requesting them to transmit for the information of this House:—

"1st. A copy of the report of the Sanitary Committee appointed by the House of Commons in 1876. 2nd. A copy of the report of a similar committee appointed upon vital statistics and public health in 1877."

Hon. Sir ALEX. CAMPBELL—I presume the hon. gentleman wishes simply to make this step more formal than it could be made in any other way.

Hon. Dr. BROUSE—Yes.

Hon. Sir ALEX. CAMPBELL—I have no objection to the motion.

The motion was agreed to.

The Senate adjourned at 5 p.m.

THE SENATE.

Wednesday, January 26th, 1881.

The Speaker took the chair at 3.25 p.m.

Prayers and routine proceedings.

The Senate adjourned at 3.35 p.m.

THE SENATE.

Thursday, January 27th, 1881.

The Speaker took the chair at 3.30 p.m.

Prayers and routine proceedings.

AN ADJOURNMENT.

MOTION.

Hon. Mr. **BELLEROSE** called attention to the fact that there would be no business before the House until Tuesday next, and moved that when the Senate adjourns to-day it stand adjourned until Tuesday next at 3 p.m.

The motion was agreed to.

The Senate adjourned at 3.45 p.m.

THE SENATE,

Tuesday, February 1st, 1881.

The Speaker took the chair at 3.25 p.m.

Prayers and routine proceedings.

TRADE RELATIONS WITH FRANCE.

MOTION.

Hon. Mr. **BOURINOT** moved :—

"That an humble Address be presented to His Excellency the Governor General, praying that His Excellency will be pleased to cause to be laid before this House, any correspondence or other information the Government may have had respecting the sale of Canadian built ships in France on the same favorable terms as are enjoyed by vessels of British construction; also, any information that the Government may be able to give to this House relative to the admission of French products into this country on more favorable terms than at present."

He said:—I may as well observe, that a motion similar to this was introduced by me three years ago, also, at the same time, in the House of Commons, by the Hon. Mr. Langevin, when in both Houses interesting debates on the subject ensued. In the following year the matter was again brought up by my hon. friend from Lorimier (Hon. Mr. Bureau). I would not have worded the motion as read by me had I been made aware of a circumstance which came to my knowledge two or three days since, by which the aspect of the question is very much changed. With your permission, I wish to offer a few words in explanation of having postponed it as I have done. One of the reasons, among others, was, owing to the absence of an hon. member of this House who was expected from Paris, and who is supposed to represent the interests of the Dominion in France by instructions from Sir Alex. Galt, the Canadian Commissioner, and I thought probably on his return he would be able to enlighten us on the subject. However, he has not made his appearance, and I cannot, therefore, postpone the motion any longer, but I doubt very much, owing to the very recent information already alluded to, which I will communicate ere I resume my seat, if he can give such a statement as we desire to have. The object to be attained was this: We are desirous that Canadian built ships should be admitted on the same favorable terms as British built ships are now admitted into France, by the payment of a small duty of two francs per ton, instead of forty-two francs now claimed from colonial built ships. I shall not, however, dwell on this, but touch upon other points. I wish to observe that this is a most opportune time to make an appeal to the House and to the Government (this is not a party question), that our commercial relations with France shall be more close than they have been in the past. Judging from the number of French capitalists who visited this country last year, and other capitalists who sent their agents with a view to invest their moneys here, and ascertaining the capabilities of the Dominion, the present is a favorable time. They have responded in a most generous manner to the appeal made to them by the Local Government of Quebec for a loan, when that loan could not be had in England. All these events tend to show that the present is the most seasonable time to secure better and more intimate relations between France and Canada. Further, we see an attempt is being made to establish a line of steamers between some ports in France and Quebec and Montreal, St. Pierre Miquelon, and Sydney, Cape Breton, and during the winter months at Halifax. We all feel they must be encouraged as much as possible, consistent with our interests, in the introduction of French products into this country. The views which I have so often expressed, not only in this House, but in the Nova Scotia Assembly, before Confederation, remain unchanged, but I have no desire to go over the same ground again. I must say, however, that the introduction of the light wines of France for general use in this country should be encouraged as much as possible, by placing a much lower duty upon them, and by that means eventually excluding those obnoxious beverages so much indulged in by all classes. I sincerely believe that the consumption of those pure light wines of France by our people would conduce to their health and happiness. But there are other valued products, which I need not now enumerate, that we could import, and which no civilized nation can dispense with. The success of the steamers referred to depends not only on their exports, but their imports. We know that our exports would be, among others, cattle, flour, wheat, fish (chiefly from St. Pierre Miquelon), phosphate, etc., and the return cargoes are those which we must endeavor to encourage. France is second to none in literature, the arts and sciences, and much which tends to make life happier. It is, therefore, but right and proper we should give an impetus to that intercourse so much desired between that country and Canada. I must draw the attention of the Senate to a very interesting letter which first appeared in the *Nouvelliste* in September last by a well known French gentleman, named M. Foursin-Escande, in which he mentions the well known advantages which would result by the establishment of the line of steamers already referred to. He was then confident that the admission of Canadian built ships would be entitled to French registry on the same terms as those from England. He says, what is no doubt true, that the future mercantile ships will be of iron, but there will be, he believes, a great proportion of the trade carried on in ships built of wood, because they can do so at a comparatively lower rate. He refers, also, to M. Lefaivre, Consul-General of France, who has been so instrumental in bringing our commercial relations more closely together than they are with France. This gentleman has taken a most deep and active interest with this object in view. I desire, too, to refer to M. de Molinari, who has very recently visited the Dominion and is now publishing in the *Journal des Desbats* a series of most interesting letters, giving an account of his visit to this country. I need not say that he is a well-known and eminent writer. Understand me: the views he has already published on some of the institutions of the Province of Quebec are not in accordance with my own, but there are many points on which he speaks with great force, and one cannot resist some of his arguments. But there is this you may rely on, that his communications are read all over the world. His letters will show the extent of our great resources, the fertility of the soil, etc., and his views will influence public opinion. He will draw more attention to us than almost any other writer. I must remind my hon. friends that his letters published in the same paper, giving his impressions of a tour he made in Ireland last autumn, were considered of so much merit that the greater portion were reproduced in the London *Times.* I do not hesitate to say that the effect of his visit to this country will only be second to that produced in England by the speech of Lord Beaconsfield on Canada, which, no doubt, was inspired by the right hon. gentleman who presides in such an able manner at the head of the Government of Canada. I am aware that the Dominion cannot make a direct appeal to France. It must be through the British Cabinet, but we have now a representative in London of known ability, Sir A. Galt, and I have no doubt he will do all he can to promote the prosperity of this country, and use his best efforts to bring about closer relations with France. Some expectations were entertained a year or two ago, when I brought the matter up, but they have not been realized. I stated at the outset the aspect of the question had somewhat changed. Two or three days ago, as I have already stated, a measure passed the Chamber of Deputies and Senate of France, for the purpose of giving a bounty on French built ships, and the encouragement of their merchant shipping. It is now questionable if our Canadian built ships, even on payment of a duty of only two francs per ton, can compete with the French, receiving such liberal and large bounties. This measure provides as follows: A bounty is to be given to shipbuilders for iron or steel ships sailing under the French flag, 50 frs. per ton, and will also be entitled on leaving the stocks to 1 fr. 50c. (28 cts.) for every voyage performed of 1,000, miles; and those built under the direction of the French Admiralty, and which may be converted for war purposes, will receive an additional bounty of 15 per cent., and the steam machinery and gear 12 frs. for 100 kilo. in weight. Vessels built of wood, of 200 tons and above, will receive a bounty of 20 frs. per ton, and a further payment for 1,000 miles of a voyage at sea, the same bounty as is given to the steamships. The late Minister of Marine and Colonies (Admiral de Jauréguibern,) advocated this strongly by saying that he considered the class of vessels now used in France were only "vieux sabots," old wooden shoes; this measure of the French Parliament is an important concession to the merchant service in France. I must again reiterate, for the reasons already given, and other considerations, that it is the bounden duty of the Canadian Government to secure, by every means in their power, closer relations with a country which is now taking such deep interest in ours, and which will tend so much to its aggrandisement and prosperity. This country has, by a paper read by Sir A. T. Galt in London, which has just appeared in the Montreal *Gazette*, dwelt in eloquent terms on the future of Canada, a future which promises to place Canada only second perhaps to the neighboring Republic, and among the most prominent nations in the world. I trust the House and Government will give my observations full consideration.

Hon. Sir ALEX. CAMPBELL — The best assistance which I can give to my hon. friend — and I am very desirous of rendering him any assistance in my power — is to state what has transpired in reference to this subject since he last brought it before the House. Two years ago my hon. friend brought the subject up, and I was then able to state that negotiations had been initiated by representatives of Canada in Paris, and those negotiations had reached the state of the propositions having been agreed to by the French Government. The propositions so agreed to between the French Government and the Canadian representatives had been submitted to the French Legislature, and it was hoped, as that submission had been made by the Government of the Republic, that those negotiations would receive the assent of both Houses of the Legislature; but they do not proceed there as we do in Canada, and as they do in other countries where responsible government prevails, and it would seem that the recommendation of the Government of France was not acceptable to the two Chambers of the Legislature of that country, and the proposition fell to the ground. That proposition involved a very great benefit to Canada. It involved the difference between forty francs per ton and two francs per ton on Canadian built ships. It did not include the ships of any other country. The proposition fell through, as I have said, and a subsequent proposition was initiated by the French Government, not with reference to Canada particularly, but with reference to the whole world, reducing the tonnage on all ships from forty francs to two francs per ton. Of course that was of no special benefit to Canada. Then came the proposed giving of bounties, to which my hon. friend has referred. My hon. friend has only seen that within the last two or three days, but the Government here have had knowledge of it for some three or four months past. The adoption of that policy entirely does away with any possibility of the ships of Canada or of any other country competing with French ships, because, if the French vessel gets a bounty of so much per ton, and then receives so much additional for every thousand miles of voyage she may make, it is quite evident that the ship of any other country which does not get this bounty and mileage, cannot possibly compete with the French ship, which receives both. So the negotiations do not seem to present a very progressive aspect just now. I still trust that some opportunity may be offered to Canada of obtaining some exceptional facilities to trade with France, by negotiations with reference to the admission of articles of French growth into this country, but that seems uncertain. We have had before us a proposition from the Province of Quebec to assist in subsidizing a line of steamers to run from some port in France to the St. Lawrence in summer, and to Halifax or some other port in winter. That proposition has been favorably viewed by the Dominion Government, and we have been willing on our part to contribute a certain sum to subsidize a line of steamers, if the French Government on their part will contribute a certain sum. The negotiations have not yet ended, but it looks as if they will yet arrive at a satisfactory conclusion, and I hope we shall soon have a line of steamers running from some of our ports, probably Quebec, to some northern port of France. They are very anxious in France, we understand, to procure from Canada some of our phosphates of lime and other minerals of Canada, besides the products of the forest and field, and we trust that by the negotiations with which Sir Alex. Galt is still charged we will yet arrive at some satisfactory treaty with France, involving, not the privileges which we did hope for with reference to ships, but involving some other advantages. That is the position in which the matter stands at present. The Government have no objection to any of the papers we have on the subject coming down, and we are very anxious, as far as in us lies, to do everything that will tend to facilitate and increase our relations with the Republic of France.

Hon. Mr. BOURINOT — I ought to have said with regard to certain articles that might be introduced into France, if the French Government could be brought to consider it — would be materials which enter so largely into the construction of ships. Iron abounds largely in this country, not only in this city of Ottawa, but in Nova Scotia and elsewhere; timber also, for shipbuilding, etc. These must be imported into France to a great extent for building purposes. With regard to the bounty now about being given to French built ships, we all know that some months ago, when the news reached the British ministry that such a measure was contemplated, remonstrances were made to the French Government that it would be, if adopted, inconsistent and at variance with the treaty which existed between the two nations, but this remonstrance was of no avail. I was aware of the fact that subsidies were likely to be given by France and Canada for the proposed line of steamers. I am glad to hear it confirmed by my hon. friend the leader of the Government. I believe France will respond favorably. But this should be kept in view: there must be a sufficient trade to make the voyages successful, both of imports and exports.

The motion was agreed to.

MONTREAL REGISTRY OFFICE.

MOTION.

Hon. Mr. DICKEY moved :—

"That an humble Address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House, copies of all correspondence between the Imperial, the Dominion and Quebec Governments, respectively, since 1st January, 1875, relative to the division of the Montreal Registry Office, and the consequent claim of G. H. Ryland, Esquire, under the arrangement entered into with him by Her Majesty's Lord High Commissioner, on the part of the Imperial Government in the year 1841; together with any correspondence with Mr Ryland, or other papers bearing upon the subject."

He said: As I am not personally acquainted with this gentleman, the motion I am about to submit to the House is made solely in the interests of right and justice. The statements, which I shall make as briefly as possible, are founded upon papers which have been furnished to me, and I am led to believe they will be verified by the correspondence asked for in this motion. At the time of the union of Upper and Lower Canada in 1840, Mr. George H. Ryland was Registrar and Clerk of the Executive Council. He held his office under Imperial Patent, and the tenure was, therefore, one for life, subject, of course, to good behavior, and upon his retiring from that office at any time, if he chose to do so, he was entitled to a pension of about £515 a year. In the year 1841 Lord Sydenham came out to this country, as Lord High Commissioner for the purpose of establishing responsible Government, and in order to carry that out, he opened negotiations with Mr. Ryland to get this office at his disposal, and offered to him in exchange for it the office of Registrar of a district in Quebec at a handsome salary. Mr. Ryland, desirous, as many loyal subjects at that critical period of Canada's history would be, to further the intentions of the Home Government, consented to the exchange upon the condition that he should also have his retiring allowance as a minimum compensation; and further that if any change should take place, he would be entitled to claim the maximum compensation for any loss that might occur. This state of things continued, and he was appointed to the office for a short period—I am sorry to say for the period of only one year, as, I believe — when a change was made, and that office thus given to him as a matter of negociation, and a compact between him and the representative of the Imperial Government, was taken from him by legislation, and the office was turned into a county instead of a district office, and the profits of it thus far remunerative from fees, were proportionately diminished. This was so manifestly unjust that in the year 1846 the Parliament of Canada passed an address to the Crown asking that compensation should be made to Mr. Ryland for the losses he had sustained. That produced no result at the moment, until the year 1850, when the matter was brought to the notice of the House of Lords by the Duke of Argyle, the father of our present honored Governor, and the resolution, supported by the late Duke of Wellington, the late Lords Derby, Lyndhurst, and Brougham, passed the House, asking the Queen to do justice to one of her subjects. Nothing, however, was done until the year 18 6, when, after repeated applications by this gentleman, to the Colonial Office and at the foot of the Throne by memorials, this minimum compensation due to Mr. Ryland for the pension which, I believe, up to date, sixteen years, had not been paid him, was referred to Chief Justice Carter, of New Brunswick, who fixed the amount that he would be entitled to, which was ultimately apportioned between the Imperial and Canadian Governments. Of that award the Imperial Government paid their half with interest upon it—paid it liberally and handsomely as they are accustomed to do. The amount due from Canada was not paid for some three years, and it was then paid without interest. And thus, upon the question of compensation irrespective of the claim which this gentleman had for the losses he had sustained in consequence of the course that had been taken towards him, he received very nearly all that he was entitled to for the minimum compensation, except the interest upon this amount then due by the Canadian Government. Thus, for a period of nearly thirty years, until the year 1870, of which I shall speak presently, Mr. Ryland was left without the compensato which he was entitled. The consequence was that he was obliged to part with the greater portion of his property to enable him to support his family, and also to forfeit two or three large life policies, which would become the inheritance of his family. In the year 1870 the matter was taken up by our lamented deceased friend Sir George Cartier, at whose instance the cadastral system was introduced in the Province of Quebec, and Mr. Ryland was then appointed Registrar of the district of Montreal, at a salary of £2,500. It will be seen that the duties of this gentleman extended over the whole district of Montreal; that was in the year 1870. It was supposed at this time that by giving him that liberal salary it would be in some measure a compensation for the losses that he had sustained.

Hon. Sir ALEX. CAMPBELL — I do not think there was any salary, but his fees, he alleged, amounted to that sum during that year.

Hon. Mr. DICKEY — I dare say it may be quite right, though I believe, as I stated before, that the salary — incorrectly called a salary — as derived from these fees, amounted to £2,500 a year, and it was supposed that that amount, were it continued to him annually during his life, would be some compensation for the losses he had incurred in consequence of the delay in doing justice to him. That continued until the year 1875, when the Quebec Legislature divided this district office into three offices, and appointed five registrars instead of one, diminishing, in consequence, the fees which he would have been entitled to receive, to the extent of one to five. or something in that neighbourhood.

Hon. Mr. DeBOUCHERVILLE — There were two registrars appointed to two of these divisions, and Mr. Ryland remained as registrar for one division alone.

Hon. Mr. DICKEY — Whatever the extent of the change may have been, that was the change made at that time, and it was a change which deeply affected the interests of Mr. Ryland, who was there not merely as a registrar, but holding office under a solemn compact made with a representative of the Imperial Government, and he was entitled certainly to have the benefit of that bargain as he had the benefit of the other office while he chose to retain it. That has been the state of things since the year 1875. The House will readily see how this has affected the interests of Mr. Ryland as an office-holder. That being the case, I do not desire to make any comments on the course of events, because that would be entirely premature until we see what the papers are. My object in this matter is simply to ask the House to do justice to a public officer, who for sixty years did his duty well and faithfully, and who received his office for public services rendered by him and his ancestors to the Crown and country. I have no doubt, now that the matter has been brought to the attention of the Government. When these papers come down and the matter is submitted to the Government and Parliament of the country, that full justice will be done to this gentleman, as I have no doubt that it is the desire of this House it should be done to ever person under similar circumstances.

Hon. Sir ALEX. CAMPBELL — If my hon. friend from Amherst had simply moved for the papers, I should have given my assent to the motion without making any remarks, but as he has mentioned to the House the view which has been given to him of the state of this case, and claim of Mr. Ryland, I think it necessary to add a word or two, merely to say that I must not be taken as admitting in the least the correctness of the statement which, on the information communicated to him, he has just made. I believe the facts to be very different, and that, when the papers come down, my hon. friend will, after perusing them, arrive at a very different conclusion regarding the claim of Mr. Ryland, the merits of which will be found to be very fully discussed in the papers which have been asked for, more particularly in some of the reports which have been made upon the subject.

Hon. Mr. DICKEY — My hon. friend has made a statement which varies materially from the one which I submitted to the House. Perhaps I may be allowed to explain that I simply stated the case as it was furnished to me. I confess the statement made by the Postmaster-General that Mr. Ryland was only to receive an office worth £515 a year surprises me, because it is in direct contradiction of the statement furnished me that this was to be a retiring allowance in addition to the income he received from the registry office in Montreal. My hon. friend seems to be under the impression that the matter was referred to Chief Justice Carter as an arbitrator. That is an entire mistake, as is shown by the following letter written by the Chief Justice in 1856, in answer to a letter from Mr. Ryland :—

> "Sir,—I, yesterday, received your letter of the 22nd October. I think you mistake the character in which I acted with reference to your case. I was not an arbitrator, but merely a commissioner or agent appointed by the Secretary of State for the purpose of reporting to him what amount might be due to you under Lord Sydenham's guarantee. My report, unlike the award of an arbitrator, will not, I imagine, bind anybody."

Hon. Sir ALEX. CAMPBELL — In using the word "arbitrator," I merely meant that it was referred to him.

The motion was agreed to.

EUROPEAN, AMERICAN AND CANADIAN CABLE COMPANYS BILL.

SECOND READING.

Hon. Mr. SCOTT moved the second reading of Bill (F) "An Act to incorporate the European, American and Canadian Cable Company (limited)." He said: The promoters of this Bill desire to be incorporated under the name of the European, American and Canadian Cable Company, with a view to laying two cables across the Atlantic. The names only of the Canadian promoters are mentioned in this Bill. There are a number of influential gentlemen on the other side of the Atlantic associated with those whose names appear, but I thought it not desirable to introduce them until I had further correspondence on the subject. They will, however, be introduced at a later stage. I may say that the company has already been formed in England, and I hold in my hand the ordinary articles of association issued with the view of incorporating organizations of that nature. The capital is laid down at $1,500,000, and can be increased from time to time. I am right in saying that there is a thorough earnestness on the part of the promoters of this Bill to lay two cables in a short period of time. The measure is one which, I am sure, the House will assist in passing, inasmuch as it is desirable to obtain an independent cable across the Atlantic. We made an effort in this direction a few years ago, after some discussion in this Chamber, but it failed. It seems to be the fate of companies of that kind that the larger swallow up the smaller. If the reports in the newspapers be true, the larger companies on this continent have recently swallowed up all the smaller ones, and, I believe, the cables that are now laid between this country and Europe. I therefore think it is highly desirable, if possible, to get a company that will, for some time, at all events, preserve an independent vitality. It seems to be extremely difficult to do so; however, the competition will last for some time, at any rate.

Hon. Mr. MILLER — I do not intend to detain the House with any lengthened remarks, neither do I intend to oppose the second reading of the Bill; but I wish to say a word in reference to one remark which fell from my hon. friend, that it is very desirable, in view of the present position of ocean telegraphy, we should have an independent company. I am afraid, if my hon. friend is fortunate enough to get his Bill through Parliament, and perhaps there is no reason why he should not, and if he should have the satisfaction to see an organization under this Act of incorporation, we will very likely have the same result with regard to that company that we have seen with regard to others; we will see this independent company — independent until it is organized and until it suits it to sacrifice the public interest — swallowed up in its turn. For my own part, I was unsophisticated enough to believe, some years ago, when the Marine Electric Telegraph Bill was before the Senate — and the House will recollect that a very protracted discussion took place upon that important measure — that we were really about passing a law which would have the effect of destroying monopoly in cable communication between the old and the new world. We had the most positive assurance from gentlemen who were considered to be more than ordinarily interested in the passage of that legislation (I mean the promoters of the Direct Cable Company), that one of their chief objects was the patriotic and philanthropic one of destroying monopoly with regard to ocean telegraphy, and in promoting civilization and the great ends of commerce, and other laudable objects in the relations of the two hemispheres. But no sooner did those gentlemen get the legislation they wanted; no sooner was that company incorporated than attempts were made at amalgamation one way or another — by joint purse or otherwise — which ultimately were successful, and we find that those conflicting interests have all disappeared, and those philanthropic people have united in one monopoly larger than before existed against the rights and interests of the public. I do not intend to oppose my hon. friend's Bill at any of its stages, but it is useless to attempt to force a measure of this kind by arguments of the nature he has used — by supposing it is going to do anything to break down monopoly, because I believe if his company ever gets into operation in a short time it will be found to be only another small tributary to the great monopoly which now unfortunately prevails in Atlantic telegraphy.

Hon. Sir ALEX. CAMPBELL — Does this Bill contain a clause abrogating the charter unless the cable is laid within a certain time?

Hon. Mr. SCOTT — Yes.

Hon. Sir ALEX. CAMPBELL — What is the length of time?

Hon. Mr. SCOTT — Two years.

Hon. Sir ALEX. CAMPBELL — It seems to me to be a question for this House and both Houses of Parliament whether, in this and other Bills involving large enterprises, we should not go a step further for the purpose of requiring evidence of good faith than even the clause limiting the period within which the charter should be valid — whether we should not exact, before the Bill goes into force, evidence of some capital being subscribed and some list of shareholders that will secure public confidence, and some actual subscription in bank. The multiplicity of those bills — I do not speak of cable bills particularly, because there are not many — bills for the construction of railways and those akin to them, which have been put on our statute book, and which have passed away and nothing has been done with them, is an evil which can only be remedied in the way I speak of. I do not say that this is a Bill which is being passed for the purpose of being transferred to anyone else, but there are so many bills of that character that I think the suggestion I make is one which will have to be, sooner or later, adopted by Parliament, and it will be found necessary to require that there shall be a certain number of shareholders and a certain amount of capital paid in before the Bill can go into effect.

Hon. Mr. DICKEY — In confirmation of what has fallen from the hon. Postmaster General, I may remind the House that there are several cable bills on the statute book of the country at this moment, and several have been extended from time to time. What use has been made of them, and how they have been allowed to fall into oblivion, I cannot understand. In reference to this matter I cannot help making this general observation: I think it is a great misfortune the House had not accepted a proposition which was made by the minority when the Marine Electric Telegraph Bill was up for discussion, that the maximum price of telegraphing should be fixed. We were voted down on that question. My hon. friend (Mr. Scott) who led the support of that Bill, insisted that he would not have it — he would not allow that protection to the public, and it may be a question for the House whether we should not have some such protection in this measure.

The Bill was read the second time.

NATURALIZATION AND ALIENS BILL.

SECOND READING POSTPONED.

The Order of the day having been called for the second reading of Bill (G) "An Act respecting Naturalization and Aliens,"

Hon. Sir ALEX. CAMPBELL said: The Bill is not yet printed, and I may mention, in extenuation of the fact, that despatches have been received upon the subject within the past few days rather altering the features of the measure as it would be presented to the House, and rendering some changes necessary. I therefore move that the Order of the day be discharged, and the Bill be read the second time this day week.

The motion was agreed to, and the order was discharged.

PATENT LAW AMENDMENT BILL.

IN COMMITTEE.

The House went into Committee on Bill (E) "An Act still further to amend the Patent Act of 1872."

Hon. Sir ALEX. CAMPBELL said when the Committee rose before, objections had been taken by the leader of the Opposition and the hon. Senators from Amherst and Richmond to the first and principal clause of the Bill. It was stated that it would be a dangerous thing to renew the various patents which were mentioned in the schedule, without inquiry and without more knowledge than the House then had. A list was brought down and laid upon the table, giving the House all the information which could be procured, as to the persons who held those patents, the matter of each patent and as to the time when it expired; but notwithstanding that information, it seemed to those hon. gentlemen not to be very wise to legislate in the direction which the first clause, as originally framed, would have asked the House to have done. The hon. leader of the Opposition suggested that perhaps it would be a better plan to confer power on the Commissioner of Patents the Minister of Agriculture, to renew where he found that there was good ground for it, after such inquiry as he might see fit, subject to certain limitations which might be set forth in the Bill. Adopting that suggestion, he (Sir Alex. Campbell) had framed a clause which he would ask the Committee to substitute instead of clause one. He proposed to give the Minister of Agriculture power to renew any patents where the application had been made to renew it within ten days from the date of the expiring of the patent. The hon. gentleman from Amherst had pointed out that in the list laid on the table of the House there were many patents that had expired several months before application had been made to renew them, and that, therefore, there was no just cause to ask Parliament for a remedy. He (Sir Alex. Campbell) proposed to amend the clause by providing that the application must have been made within ten days from the expiring of the patent. On looking over the list it would be found that there were only four or five of the renewals applied for that would not come within that term. He believed, with the hon. gentleman from Amherst, that a definite time should be fixed within which the application should be made, so that this thing should not be going on for ever, and he proposed that the Bill should provide that, between now and the 31st of October, any of those persons whose patents had expired, and who had made application to renew within ten days after they had expired, could come in and ask to have them renewed. Then, in the future, by the alteration suggested in the second paragraph, application must absolutely be made before the expiration of the first patent. It seemed that there had been a misunderstanding as to the time the application should be made under the old Act.

Hon. Mr. SCOTT — Is it made perfectly clear now that the application can be made at any time during the currency of the patent?

Hon. Sir ALEX. CAMPBELL said that under the change in the Act no misunderstanding could occur. The 3rd clause, which protects persons who are using the patents during the time they are not in force, would be made clear by striking out the last four words. There was a class of cases which were mentioned by the leader of the Opposition, which this amendment did not touch, and he did not know how to get at them. That was where application had been made to renew patents, but the applications had been sent to an agent in Ottawa, and that agent, knowing the usages of the Patent Office, had not presented them to the Commissioner, therefore no application had really been made. He was afraid to open the door for that class of cases, because it would be almost impossible to say whether the applications had come to Ottawa or not, and by what means it could be made certain that they had been here. On the whole, he would rather not extend it to that class of cases, trusting that the leader of the Opposition would see that it was not very important, or if he thought it was important, that he would assist in framing language to meet the difficulty.

Hon. Mr. DICKEY desired to express his satisfaction at the course that had been taken by his hon. friend who had charge of this Bill. Very strong objections had been taken by himself and other gentlemen to the measure as it was introduced, and he was glad to see that the leader of the Government had yielded, as he usually did, to the general sense of the House. He (Mr. Dickey) had deprecated in very strong language the introduction of personal legislation that would have gone back and condoned the delays of people who had slept upon their rights for years. As to the Bill as amended he had no objections to it, and would certainly give it his cordial support.

Hon. Sir ALEX. CAMPBELL moved the amendments to the clauses, which he had explained.

The amendments were agreed to without debate.

Hon. Sir ALEX. CAMPBELL moved that the Committee rise and report the Bill as amended.

Hon. Mr. VIDAL asked if provision had been made for the case of an irregularity of this kind occurring again in the future?

Hon. Sir ALEX. CAMPBELL — No; we have not. We think we have made the language of the Bill perfectly clear by altering the rule so as to render it obvious that application for renewal must absolutely be made any time during the currency of the first patent.

Hon. Mr. VIDAL — And they must not incur the risk of the application being detained in the Post Office for a day.

Hon. Mr. FERRIER, from the Committee, reported the Bill as amended.

Hon. Sir ALEX. CAMPBELL moved that the amendments be concurred in.

The motion was agreed to.

Ordered that the Bill be read the third time to-morrow.

The Senate adjourned at 5 p.m.

THE SENATE,

Wednesday, February 2nd, 1881.

The Speaker took the chair at 3.25 o'clock.

Prayers and routine proceedings.

BILLS INTRODUCED.

Hon. Mr. VIDAL presented the fifth report of the Committee on Standing Orders and Private Bills, and in pursuance of the recommendation contained in it, moved the suspension of the 51st rule.

The motion was agreed to.

Bill (H) "An Act to incorporate the Napierville Junction Railway, and Quarry Company." — (Mr. Bureau.)

Bill (I) "An Act respecting the Banque Ville Marie." — (Mr. Trudel.)

Bill (37) "An Act respecting the Canadian Pacific Railway."— (Sir Alex. Campbell.)

PETITIONS FOR PRIVATE BILLS.

TIME EXTENDED.

Hon. Mr. VIDAL called attention to the fact that the time for receiving petitions for private bills expired yesterday, and although not embodied in the report of the Committee on Standing Orders and Private Bills, he had been instructed by that Committee to ask the House to grant an extension of time to the 15th of this month. He therefore moved that the time for receiving petitions for private bills be extended to the 10th inst.

Hon. Mr. MILLER said before adopting the motion, some good reason should be shown for extending the time. The House had now been in session eight weeks, and there had been plenty of time for presenting petitions for private bills. It was not desirable to get into the habit of indefinitely postponing the time for receiving these petitions. It had the effect of throwing a large amount of business into the latter part of the session, and in the Senate especially, where they were usually crowded with work towards the close of the session, it would not be desirable that this extension should be granted.

Hon. Mr. BOTSFORD said that the recommendation had been made by the committee for the reason that an extension had been granted in the House of Commons, and he hoped the motion would be agreed to.

Hon. Mr. DICKEY said the House had been long enough in session to enable parties who had petitions to present to send them in. The time had already been very liberally extended, and it appeared to him that a stand should be made somewhere.

Hon. Sir ALEX. CAMPBELL said there would have been great force in the objections taken by the hon. Senator from Richmond under ordinary circumstances. But this was an exceptional session, called at an exceptional time of the year, and many persons might not have been prepared with the measures which they desired to submit to the House. Under the circumstances, therefore, he thought the time might be enlarged.

Hon. Mr. VIDAL explained that it was a mere accidental omission of the Clerk to include the recommendation in the report of the Committee. The object in extending the time was to work in harmony with the House of Commons;

which had extended the time for receiving petitions to the 10th inst.

The motion was agreed to.

PATENT LAW AMENDMENT BILL.

THIRD READING.

Hon. Sir **ALEX. CAMPBELL** moved the third reading of Bill (E) an Act still further to amend the Patent Act of 1872.

The motion was agreed to, and the Bill was read the third time and passed.

The Senate adjourned at 4.10 p.m.

THE SENATE,

Thursday, February 3rd, 1881.

The Speaker took the chair at 3 p.m.

Prayers and routine proceedings.

BILL INTRODUCED.

Bill (J) "An Act to incorporate the Montreal Board of Trade and the Corn Exchange of Montreal."—(Mr. Ryan.)

PACIFIC RAILWAY BILL

SECOND READING.

Hon. Sir **ALEX. CAMPBELL** moved the second reading of Bill (37) "An Act respecting the Canadian Pacific Railway." He said: The measure which this Bill presents for the first time for the consideration of the Senate is one which has been discussed for so many days and nights elsewhere, within the hearing of most of those gentlemen who are present to-day, and discussed by so many able men, from so many different points of view — those who favor it, and those who have found serious objections to it — that I am afraid I shall not be able to present it to this House in any new aspect, or offer to you many arguments or reflections which have not already occurred to you; but, representing, with my colleagues, the Government in this House, we feel that I should be wanting in that duty and respect which we owe to the Senate if I did not offer such observations as seemed to me necessary to a separate and distinct and complete consideration of the measure in this branch of the Legislature. The facts are well known to the House. I will not enter into any lengthy historical *resumé* of them. They are to be found recorded in acts of parliament, in treaties, in official correspondence, and in the speeches of different members of three successive governments, sustained in parliament for different periods since the union with British Columbia. I will almost take it for granted that it will be admitted in this House, and so far as regards this discussion, that the country is pledged — pledged in every way which can impose obligations on public men — to the construction of the Canadian Pacific Railway from some point upon the existing system of Canadian railways to the Pacific Ocean. It was not to be done with prejudicial haste; it was not to be done so as to unduly strain the resources of the country, but it was to be done. The resolution in the House of Commons on this point, framed at the request of Sir George Cartier, and offered to the House by him, in the absence of the Premier, was:—

> "That the railway referred to in the Address to Her Majesty concerning the agreement made with British Columbia, and adopted by this House, on Saturday, 1st April, should be constructed and worked by private enterprise, and not by the Dominion Government; and that the public aid to be given to secure the undertaking should consist of such liberal grants of land and such subsidy in money, or other aid, not unduly pressing on the industry and resources of the Dominion, as the Parliamen of Canada shall hereafter determine."

To which was afterwards added the words, "nor increase the rate of taxation." I do not apprehend that they will be at all controverted by any gentleman in this House who desires to oppose the present measure. Successive governments — the Government which made this engagement, the Government which succeeded it, and which remained in power until September, 1878, and the present Government — have each in their turn recognized this obligation, and have each in their turn striven, with more or less success, to carry it out, and redeem the pledged faith of the country. I need not, I think, therefore, detain the House in discussing the obligation which rests on the country, as far as is consistent with the terms which we recognized as modifying the obligation when it was entered into; I say, as far as consistent with those terms, I do not think I need detain the House by arguing that the country is pledged to the construction of this railway. The undertaking is one of a very gigantic character—the construction of a railway from a point not 250 miles from where we are now sitting to Port Moody on the Pacific Ocean, a distance of 2,627 miles. I do not think we quite realize the character of the undertaking unless we compare it with some spaces which are more familiar to the imagination. It is a greater distance than from the north to the south of Europe, further than from St. Petersburg to Gibraltar; further than from the east to the west of Europe; further than from Calais to the Caspian Sea. It is longer than the Mediterranean Sea. These distances, perhaps, enable us to realize the immense character of the task which we have undertaken to carry out. To compare it with other railways: it is longer than any single line of railway that I know of. The longest line of railway probably in the world is the Grand Trunk of Canada, which is now, with its Chicago connection, 1,734 miles long. The Union Pacific from Omaha to Ogden is 1,037 miles long. The Central Pacific from Ogden to San Francisco is 813 miles long, or, with its branches, 1,213 miles; and these are the longest railways in the world. The road which we are about to undertake to construct will be, when completed, 2,627 miles, so that it is a great deal longer — two-thirds longer than any railway in existence. We propose to construct it from Lake Nipissing to the Pacific Ocean. Running through our own country, the route presents some great national advantages which have not failed to attract the notice of eminent men in the United States. I shall read, although it has been noticed elsewhere, a passage from a speech of the late Mr. Seward, one of the most distinguished American statesmen, who said, with reference to this road, in a speech delivered by him some years ago:—

> "The route through British America is in some respects preferable to that through our own territory. By the former the distance from Europe to Asia is some thousand miles shorter than by the latter. Passing close to Lake Superior, traversing the water-bed which divides the streams flowing towards the Arctic Sea from those which have their exit southward, crossing the Rocky Mountains at an elevation of over 3,000 feet less than at the South Pass, the road could be here constructed with comparative cheapness, and would open up a region abounding in valuable timber and other natural products, and admirably suited to the growth of grain and grazing. Having its Atlantic seaboard at Halifax and its Pacific near Vancouver Island, it would undoubtedly draw to it the commerce of Europe, Asia and the United States. Thus British America, from a mere colonial dependency, would assume a controlling rank in the world. To her other nations would be tributary, and in vain would the United States attempt to be her rival, for she never could dispute with her the possessions of the Asiatic commerce, nor the power which that commerce confers."

I have said, hon. gentlemen, that the project is to construct a railway from a point not 250 miles from where we stand to the Pacific Ocean. For 650 miles of that distance it would run on the north shores of Georgian Bay and of Lake Superior, and would reach a point at Thunder Bay on the distant shore of Lake Superior; from Thunder Bay it would run 410 miles to Selkirk on the Red River; from Selkirk it would run 900 miles across the prairies to the foot of the Rocky Mountains; from the foot of the Rocky Mountains it would run 450 miles to Kamloops; from Kamloops it would run 127 miles to Emory's Bar; and from Emory's Bar it would run 90 miles to the Pacific Ocean, Port Moody. Of this whole distance the Government has constructed, or is constructing, two links; one being the 410 miles between Prince Arthur's Landing and Selkirk, and the other being 127 miles between Kamloops and Emory's Bar, known as the Onderdonk contract; and it has undertaken by the terms of the contract now before us to construct the additional 90 miles which separate Emory's Bar from Port Moody. Of the total distance of 2,627 miles, the Government has constructed, is constructing, or will construct, 627 miles, and the company agree to construct the other 2,000 miles.

Hon. Mr. SCOTT — What about the Pembina Branch?

Hon. Sir ALEX. CAMPBELL — That is constructed already; it does not enter in this contract. The Pembina

Branch is 85 miles long, running from the boundary of the United States to Selkirk. This enormous work, hon. gentlemen, has formed the subject of a survey, the minuteness of which one may justly characterize as being unequalled in any work of the kind — a survey which has occupied a number of years, and has cost the country something like three and a half millions of money — so that the topography of the country is well known; and upon the information at different stages which the engineers engaged on it have sent in to the Government, various estimates have been made of the probable cost of the construction of this road. The first estimate which I have met with is the estimate of Mr. Fleming, who was for a long time the engineer in charge of the railway — a gentleman of high professional and private character. His estimate was that the road would cost, between Lake Superior and the Pacific Ocean, $100,000,000, to which we must add the cost of the road between Lake Superior and Callendar Station; this can be added according to the different estimates. Adding it according to the estimate of 1873 — that is, the plan which was formed by the Government of Sir John Macdonald — and under the contract which was entered into with the Allans and others, this additional piece, according to the prices and terms laid down in the contract, the further cost would be some $20,294,000. Adding that to Mr. Fleming's estimate, the total cost of the road, according to Mr. Fleming's estimate, with this addition, would be $120,000,000. Adding the cost of the same 650 miles, according to the next subsequent plan, that of 1874, the whole railway would have cost $122,000,000. Adding it to the estimate upon the prices and the terms arranged under the present contract, it would cost $116,250,000. These three estimates are all based upon, and all include, Mr. Fleming's estimate of what it would cost from Lake Superior to the Pacific Ocean. That estimate of Mr. Fleming's was made at a time when the information which he had, though tolerably complete, was not perfectly so. Afterwards, when the information which he had was more complete and more ample, he estimated that the total cost of the whole road, instead of being $122,000,000, as I have made it, would be $84,869,000. A gentleman who holds a distinguished position in the other branch of the Legislature, in a speech made last session, estimated that the road would cost $120,000,000, and he based it on these details: Callendar Station to Fort William, $32,000,000; Fort William to Edmonton, $42,000,000, and Edmonton to Burrard Inlet, $45,000,000 — making a total of $120,000,000. Another gentleman, who occupies a hardly less distinguished position in the House, estimated it last year, and spoke of his estimate as being the result of "more mature consideration by gentlemen best qualified to judge," reduced the estimated cost from Lake Superior to the Pacific Ocean to $89,000,000. These are the several estimates which have been made of the cost of this work. They have been put forward by men in authority, by engineers, and by distinguished statesmen, beginning, as you will see, at $120,000,000, then $122,000,000, then $116,000,000, then $84,000,000, to which sum must be added the cost of construction from Calendar Station to Fort William, and then, rising again under the estimate made by the gentleman to whom I have alluded, and whose name I may mention (Mr. Blake), to $120,000,000, and falling again, under Mr. Mackenzie's final estimate, made by "gentlemen best qualified to judge," to $89,000,000, extra the cost from Callendar Station to Thunder Bay. These are the several estimates which have been formed as to the cost of the construction of this work. I said in the early part of my remarks that I would have occasion to refer to the efforts put forth by the respective governments in power in Canada since the union with British Columbia to accomplish the great work to which the country had been pledged. I do so in no spirit of party warfare, still less for the purpose of raking up the ashes of extinguished feuds, but for the legitimate purpose of establishing that the contract which the Government has made, and, by this Bill, asks the Senate to ratify, is, by comparison (as I hope to establish presently that it is absolutely), a good and advantageous contract for the country, and far better, in every way, than the one into which our predecessors were willing and anxious to have entered, and (though in a less degree) better than the contract made in 1873 by the previous Government of Sir John Macdonald. I will mention the efforts which were made by the Government of 1873, and of the engagements entered into by the Government which succeeded it — a Government of which my hon. friend opposite (Mr. Scott) was a member — and I will also refer to the terms which have been arranged under the present contract. Under the contract of 1873, known as the Allan contract, it was proposed to give a cash subsidy of $30,000,000 and a land grant upon the line proper of 50,000,000 of acres, and upon the branches of 4,700,000 acres, making a total land grant of 54,700,000. I may say now, so that I may not expose myself to any adverse criticism hearafter, and, so that I may be thoroughly understood during the progress of the remarks which I feel it my duty to offer to the House, I shall, for the purposes of my argument, constantly treat the land as worth $1 an acre, and shall so state the calculations. Adhering to that view, then, the contract of 1873, proposed to complete this road for $84,700,000. Under the Act of 1874, it was proposed to give a cash subsidy of $10,000 per mile, making on the distance of 2,797 miles, which was then contemplated (including the Georgian Bay Branch and the Pembina Branch) $27,970,000. But to this is to be added another sum, which the Parliament of that day contemplated giving in addition to the expressed cash subsidy; they proposed in addition to guarantee a certain sum at four per cent., and tenders were invited upon the basis of an absolute subsidy of $10,000 per mile, and an absolute land grant of 20,000 acres per mile, and those who were invited to tender were asked to state for what further sum at four per cent. for 25 years, they would undertake to construct the road. The only actual contract which took place under that proposition was a contract with Mr. Foster, formerly one of our colleagues, whom I dare say we all remember. His own tender was for a higher sum, but he acquired a contract from some person who offered to do it for a guarantee of four per cent. for 25 years on $7,500 per mile. Taking that as the basis on which they would have gone on if they had had the opportunity and constructed the whole road, we would have an express cash subsidy of $27,970,000, and $20,977,500, under the four per cent. guarantee, making a total cash subsidy, under the plan of 1874, of $48,947,500, and a land subsidy of 55,940,000 acres. Valuing the land, as I have said, at $1 per acre, this would give the total cost, under the Act of 1874, of $104,887,500. Now, under the contract of 1880, the one on the table which the Government asks the House to sanction, we are in the first place to estimate the cost of those portions of the road which we are constructing and which we have agreed to construct, and the Pembina Branch. The Fort William and Selkirk section, the Pembina Branch and the Kamloops and Burrard Inlet section form 712 miles of road and are estimated to cost $27,700,000, nearly $28,000,000. In addition to this we propose by this contract to give to the company $25,000,000 and 25,000,000 acres of land — a total of $77,700,000. So that, speaking in round figures, under the contract of 1873 the road would have been completed for $85,000,000; under the arrangement of 1874 for $105,000,000, and under this contract, for $78,000,000. I have estimates of the cost, valuing the land at $1.50 and $2 per acre; but it really does not make any difference in the comparison, because it tells both ways, and only increases the comparative advantage of the present contract by augmenting the value of land which we save under this contract over the preceding plans, and I think the real question will be preserved more distinctly in the minds of hon. gentlemen by adhering to the value of $1 per acre rather than by mentioning these various valuations as the cost of the road under the several propositions to which I have referred. I have no doubt hon. gentlemen have studied the contract and know well its provisions, and I shall be exceedingly sorry to detain the House one moment more than is necessary for a clear exposition of the subject which is brought under their notice by the Bill for which I am asking the second reading. The provisions of the contract divide the road into three sections, give security for construction, mention the standard which is to be adopted, refer to the various portions which the Government is constructing, stipulate the mode in which the subsidy is to be paid, exempts the railway for a thousand miles where it runs through the territory of the Dominion as distinguished from organized provinces, from taxation for all time, and its lands in that territory for twenty years, or until they shall be sold or occupied, admits certain articles to be used in the construction of the railway free from customs duties, makes sundry provisions as to the mode in which land is to be granted, by which the country will retain alternate sections, and, regarding branches and working, and modes of raising money on bonds, and as regards the distribution of the money. The subsidy, as hon. gentlemen knew, is to be paid on the central section of 900 miles across the prairie at the rate of $10,000 per mile; on the western section, from the Rocky Mountains to Kamloops, at the rate of $13,333 per mile; and on the eastern section, between Callendar Station and Thunder Bay, 650 miles, at $15,384 per mile. The land grant is divided as follows :—

Central section........	12,500	acres per mile
Western section.... ..	16,666	"
Eastern section........	9,615	"

The object being to secure in every way the construction of these various sections by reserving in the hands of the Government sufficient land and money to guarantee it, and I may here point out that a similar provision as regards the section on which criticism has been most close was to be found in the Act of 1874. By that Act $10,000 was appropriated to each mile of the whole road, including the prairie section, and it was provided that each section might be taken up and executed by itself as any other section might, so that, in this respect, the two projects are upon the same footing. It will be observed that under the present arrangement, which the House is now asked to sanction, we should be giving the company $26,000,000 less than under the plan of 1874 and something like $7,000,000 less than under the contract of 1873. But, in addition to getting our railway for less than under either of these plans, we get other advantages upon which I think a great deal of stress should be laid: we get rid of the management and sale of the lands which, under the arrangement of 1874, the Government continued to assume the charge and expense of.

Hon. Mr. SCOTT — Two-thirds were retained; the other one-third was given to the contractors.

Hon. Sir ALEX. CAMPBELL — Well, as regards two-thirds of the land grant, that makes a difference of a very serious and important character. I do not think that anybody can make an approximate estimate of the expense which will be saved by the management and sale of the lands being given to the company instead of being retained in the hands of the Government, but I can say this, that we have read and heard it vehemently urged by leading gentlemen in the Opposition that the cost and expense of managing the lands would swallow up the whole value of them. But I think we get a further advantage on which a great deal of stress should be laid. With the control of these lands placed in the hands of the railway company and the necessities which their enormous undertaking imposes upon them, it must follow that they will settle that country. I should rather be disposed to consider that the construction of the railway was not the greatest part of their undertaking. They have undertaken, in addition to constructing a railway, to people a continent. If they do not send settlers in very large numbers into the North-West, it is impossible that the lands could be of any value, and the railway would be less than valueless; it would be an unsupportable burthen. The success of their scheme depends upon their being able to send a large number of settlers into the North-West. The expense of so doing, which has not been dwelt upon, will entail a very great burden upon this company. To send settlers into that country in such numbers as would give traffic to the railway would require an enormous expenditure of money, and of intellect. It will require the establishment of agencies all through Europe, extensive advertising, subsidies to the papers, subsidized passages, arrangements for conveying emigrants from Europe to the North-West, and a thousand details which must involve great anxiety and an immense expenditure of money. It will be an enormous tax upon the resources of those who have entered upon this undertaking. Look at the number of emigrants we have been able to secure in this country by the expenditure of the Government in former years, an expenditure which has attracted the notice of this House (attention having been called to it by the hon. gentleman who is now in the chair) for the purpose of procuring immigrants to this country. During the five years preceding last year it amounted in the aggregate to something like $1,600,000, and during that time we procured 97,000 settlers, showing that the cost to the Government was at the rate of nearly $18 per head. With all the exertion used by the Government and the expenditure of this large amount of money, with the agencies that we had in Great Britain and Ireland, Germany and Norway, and with all the machinery which was put in operation, during these five years the immigration only arrived here at the rate of 20,000 persons per annum. But this Company, if their railway is to succeed, if they are to secure traffic for it, must have immigration on a much larger scale than this. They must, I should say, settle in the North-West every year after next year, 100,000 persons, and it will be the crucial point of the success of the whole undertaking which they have assumed, and should be considered and weighed earnestly when reflections are made upon the money and lands which it has been said have been given to them with a profusion which has been characterized, I am told, as profligate. In addition to that, it must be borne in mind also that they cannot settle one of their sections without assisting the settlement of the adjoining section; so the country may expect to have the settlement of our country greatly facilitated. It must be remembered that the Company get but 25,000,000 acres out of some 200,000,000 or 250,000,000 of cultivable land in the North-West, and the rest, which remains the patrimony of the country, will be settled, in all human probability, mainly by the exertions put forth by this Company to settle their own lands. In addition to the settlement of the lands we get the operation of the railway. It has been looked upon as an additional instance of the extreme recklessness of the Government that they have given this railway to the Company. True, they have given it to the Company, and the arrangement of 1874 proposed the same thing, but is not the true view that the Company undertakes the burden? It is a gift which will tax them considerably. They undertake the burden of running the road forever, and security is given for the running of it for ten years, because it is well known that the running of the railway in the earlier part of the history of the country would be a great tax upon the resources of the company. Estimates have been put forward of the cost of running railways, and I have before me the cost of running the road which connects Quebec and Halifax for some years. The expenditure will surprise some hon. gentlemen when they hear it—$2,960 per mile. Multiplying the length of the Canadian Pacific Railway, 2,712 miles, by this rate, we get the enormous sum of $8,031,000—in round numbers eight millions. Mr. Mackenzie estimates it at $6,750,000, a sum which is supposed to be based on the ordinary working expenses of the Intercolonial Railway in 1874-5, the cost per mile that year having been $2,420. These two amounts are the estimates put forward as the probable expense of working the Pacific Railway. I say that in addition, therefore, to constructing the road and managing the lands, and the advantage we have in the prospective settlement of the country, this company undertakes a very burdensome task in agreeing to operate the railway from the time it shall be finished, and having to do so during a long period when perhaps the traffic will be small and the returns light. Evidently, the cost, under the best circumstances, must be five or six millions per annum, and the receipts during the early history of the road, for ten or twelve years, must be comparatively small, so there will be a serious loss which must be considered before hon. gentlemen can fairly say that the sum given by the Government to the contractors is excessive or more than it should be. Then, in addition to that, they undertake to equip that portion of the road which the Government constructs. The cost of equipping a road is estimated at $2,000 per mile, which would give for 712 miles a million and a half of money. All this the company undertake to do in addition to building the road, and yet the comments are for the most part on the cost of the line as a work of construction, and no stress is laid upon the other burdens and expenses which the company assume. Now, I have tried to describe the contract as it is, I have tried to describe to you the undertaking which the company has entered into — to draw a distinction between what they have to do and what the Government has to do, and to portray to the House what further responsibilities, in addition to the construction of the railway, are imposed upon the Company. To this plan of ours which you will observe is a cheaper one than any that has ever before been proposed to Parliament, which is $26,000,000 less than the proposition of Mr. Mackenzie's Government in 1874, and six or seven millions less than the proposition of Sir John Macdonald's Government in 1873 — to this proposition, which involves so many advantages to the country, some of which I have attempted to describe, and imposes so many burdens upon the Company which I have attempted to describe shortly—to this proposition a great many objections have been taken. It would be impossible for me, and I should feel that I was trespassing upon the patience of hon. gentlemen if I should attempt to reply to and meet the various objections which have been made. They have been urged at great length, and reiterated with a pertinacity, and in various shapes, in a way which I am sure hon. gentlemen have noticed, and I am satisfied that the hon. members in this House, who are opposed to this contract, will admit that nothing more in the way of contention could have been desired than has already been shown elsewhere by gentlemen who are opposed to the measure. I shall take up some of the more important of those objections, because I think it should be done in the discharge of my duty representing the Government in this House and presenting this measure for your consideration. It has been said in the first place that we have given the company a great deal too much money—that we are giving them $25,000,000, and that we have spent, or are committed to an expenditure upon the railway of $28,000,000, making a total of $53,000,000. In considering this point let us look for a moment at the assistance which has been given to railways in the United States.

Hon. Mr. SCOTT — Does the hon. gentleman include in this $28,000,000, the cost of surveys ?

Hon. Sir ALEX. CAMPBELL — I include the cost of those portions of the survey which relate to the line of railway, a little over $1,000,000 I am told. It was not necessary to include the $3,500,000, which is the cost of the exploratory survey of the territories, from east to west and from north to south, but only the portion of the cost of the survey for the sections of the road as now adopted, amounting, as I have said, to $1,000,000, which sum is, I am informed, properly applicable to this work. Very opportunely for the purpose which I have mentioned of ascertaining what had been done in the United States on this subject. I came upon a speech the other day in Congress made by Senator Blaine, of Maine, who said :—

> "It was a remarkable fact that Congress though they had not done anything in the interests of the United States on the Ocean, had passed 92 Acts for the aid of transmission by rail : it had given 200,000,000 acres of land worth now about $1,000,000,000, and $70,000,000 in cash."

I desire to draw attention to this statement as showing that in other countries situated as we are, a similar course has been pursued to that which we are adopting in Canada. I also desire to draw attention to this fact, that of the $53,000,000 which, under this arrangement, the country will expend for the purpose of constructing this railway, more than $24,000,000 are involved in the works already under contract, or absolutely constructed. A portion of those works included in this sum for contracts let by the Government, of which my hon. friend was a member ; and a considerable portion has been placed under contract by the present Administration. But what I wish to call attention to is the fact that the country is at present without this Bill, committed to the expenditure of $24,693,700 made up as follows :—

Lake Superior to Selkirk.........	$14,705,000
Pembina Branch	1,556,900
Kamloops to Emory's Bar.........	8,431,800
Total constructed or under contract	24,693,700

Which will leave the amount of money dealt with by the present Bill, and which Parliament is now asked to commit the country to $28,306,300 of which $25,000,000 go to this company and $3,306,300 to construct the railway from Emory's Bar to Port Moody. The total expenditure in money, however, from beginning to end, will be as I have said. $53,000,000. The interest, at 4 per cent., upon this sum, amounts to $2,120,000, but take the expenditure to which we are committing ourselves by the present Bill, and which, as I have shown, is less than $29,000,000 (the other $24,000,000 representing contracts already entered into, and the Pembina branch already constructed) the interest upon this amount, which, for the purpose of this calculation, I will put at $30,000,000, would be $1,200,000 per annum. Against this let me suggest for a moment the probable result of the peopling of that country by immigrants, and the probable result to the revenue of its settlement, even in its infancy. I have before me a statement of the revenue per capita of the country. It amounts in some of the Provinces to $3.06 per capita; in some to $3.05; and in Manitoba and British Columbia, where the consumption of goods is more in proportion to the population, the amount is larger, being $9.14 in Manitoba and $10.32 in British Columbia. Suppose we divide that by half, and say the revenue from settlers in the North-West will be $5 per head, 100,000 settlers would yield $500,000 to the revenue and 500,000 would yield $2,500,000, which would be more than the interest on the whole cost of the railway — $53,000,000. Supposing that through the exertions of this Company which they are obliged to put forward, because the success of the enterprise depends upon the rapidity with which they settle their lands, suppose through their exertions that in three years 500,000 people are settled in the North-West, we would get a revenue from them of $2,500,000 per annum. Of course, there will be a great many other charges, but still a considerable proportion of that revenue may be very properly considered in the hands of the country for the purpose of assisting in bearing the burden which this measure will impose upon it; but we are told not only have we given too much to the Company for constructing this line, but that the price per mile is too large. It is pointed out that the prairie section will not cost more than $10,000 per mile. *En passant*, I may remark, by a statement laid upon the table by the Minister of Railways the other day it appears the first hundred miles west of Winnipeg cost $13,500 per mile. But let us look at the cost of other railways in other parts of the country, and not only in Canada, but in the United States. I have had a statement prepared of the average cost per mile of Canadian railways. I will give the amounts in round figures. The Grand Trunk Railway cost $106,000 per mile; the Great Western, $42,000 per mile; the Intercolonial, $50,000 per mile; the eastern division of the Quebec, Montreal, Ottawa and Occidental, about $28,000.

Hon. Mr. SCOTT — It cost about $30,000 a mile.

Hon. Sir ALEX. CAMPBELL — Then the Prince Edward Island Railway, which runs through a level country, and would represent not unfairly some of the country through which the Pacific Railway is to pass, cost $17,424 a mile. I have had a statement prepared of the cost per mile of the various railways in the United States — of those in Minnesota and Dakotah, and in the whole group of Western and South Western States, which present very much the same topographical peculiarities as our own western country. Some of those roads are very much like the one we have now under consideration. Those in Minnesota and Dakotah especially are very similar to our own. In Minnesota there are 2,724 miles of railway, which cost $65,000 per mile.

Hon. Mr. SCOTT — Watered stock.

Hon. Sir ALEX. CAMPBELL — No, it is the actual cost of construction per mile as given in Poor's book. In Dakotah there are 138 miles of railway, which cost $24,000 a mile. The average cost of railways in the Western and South-Western States is $46,000 per mile. The total of all the railways of the United States is 84,715 miles, which cost $4,416,510,867, or $52,000 a mile. In Canada the cost per mile, leaving the Grand Trunk Railway out of the question, varies from $14,428 to $50,000, and in the group of States which I have named from $23,000 to $65,000. I do not think it is an unfair thing to conclude, as gentlemen speaking in the other branch of the Legislature did a few days ago, that our road might reasonably and fairly be calculated to cost, for 1,000 miles of it west of Winnipeg, $10,000 per mile, and for other portions, amounting in all to another 1,000 miles, $40,000 per mile; or a total of ten millions for the one and forty millions for the other and for this the company get $25,000,000 and 25,000,000 of acres of land. I do not think that it is at all an unfair calculation. I think from the statistics given, hon. gentlemen will admit it is not an unfair calculation in comparison with the cost of railways in the United States, and the cost of existing lines in Canada. Then, it is said that we give too much land — that the 25,000,000 of acres is an enormous amount of land to give. In the first place before we discuss that, I desire to present to the House the amount both in land and money which Parliament has repeatedly placed at the disposal of the Government — the Government of 1873, and the Government of 1874. I quote from a speech of the Minister of Railways delivered elsewhere. In 1873 the cash subsidy authorized by Parliament was $30,000,000, and the land grant 54,700,000 acres. In 1874, at the instance of the Government of which my hon. friend (Mr. Scott) was a member, Parliament placed in the hands of the Government a subsidy of $10,000 and 20,000 acres of land per mile for a road 2,797 miles in length — equal to $27,970,000 in cash, and 55,940,000 acres of land, and that is over and above a distance of forty miles from Calendar Station to what at that time was intended to be the point where the eastern end of the Pacific Railway was to commence, so that Parliament has again and again placed in the hands of the Executive for the time being a very large amount more of land and money than we propose to expend. In speaking of this land, I desire to present this consideration to the House: the land is not given to this company in the same sense that money is given. When you give $25,000,000 in money that money is gone; it is of no more use to the country. But give them 25,000,000 acres of land and that land is not gone, but in many senses remains and becomes of much more value to the country than ever it was before. These lands are not poured into the St. Lawrence as you pour water. They remain ours as Ontario is ours, and Quebec is ours, and when they come to be peopled with prosperous settlers and afford comfortable homes to immigrants, we shall find them a hundred times more valuable to us than they have been in their existing state. I have said as much as I desire to say about the land and money, my suggestion being, in general terms, that the expenditure in cash involved in this measure is $29,000,000, which will impose a tax of $1,160,000 per annum, and the revenue yielded by settlers upon the lands, which must be settled in order to make the undertaking prosperous, will amply repay the country for that expenditure. I say with reference to the land that we are not giving it away in the sense of its being lost to us, but placing it in a position in which it will be more valuable to us than it has ever been before. It is said that we have adopted an improper standard in taking the Union Pacific Railway as it was in 1873, as that upon which our railway is to be formed. When the debate began in another place, it was supposed that we had taken as a standard the Union Pacific Railway at a period prior to 1873. That error, if it was an error, was immediately rectified by a letter from the contractors, who stated that they understood, as the Government did, that the Union Pacific Railway, as it was in 1873, was to be the standard.

Hon. Mr. SCOTT — Is that mentioned in the Bill?

Hon. Sir ALEX. CAMPBELL — No; but it has been mentioned in a letter written by the contractors to the Government, which has been read in another place.

Hon. Mr. SCOTT — Why not amend the Bill in that sense?

Hon. Sir ALEX. CAMPBELL — It would be inconvenient, and I do not think it is necessary.

Hon. Mr. MILLER — It is a declaration by the parties as to the construction of the clause.

Hon. Sir ALEX. CAMPBELL — I have looked into the state of the Union Pacific Railway in 1873, and find that in August of that year the Government Inspectors of the United States were sent over that road to examine it, and in the December following they made the following report to the Secretary of the Interior:—

EXTRACTS *from a report made by the Government Directors of the Union Pacific Railroad to the Secretary of the Interior, in Dec.*, 1873.

"A visitation of the line of the road was made by three of the Government Directors during the month of August last. The entire line was passed over by daylight, and the examination made suggested some subjects of interest, upon which we deem it advisable to to report."

* * * * *

"The Government Directors found the road its equipment, and the appointments necessary to the maintenance thereof in a condition highly satisfactory. Probably no equal number of consecutive miles of railway in the United States can be found in better condition."

Nothing can be stronger than that; nothing more, I think, is required to show clearly that the standard we chose was a good and safe standard. It was chosen because the Union Pacific ran in the same direction over the same obstacles, meeting the same prairies and mountains as our railway meets and overcomes.

Hon. Mr. MILLER — It was the same standard in the second Syndicate.

Hon. Sir ALEX. CAMPBELL — And as my hon. friend from Richmond says, the same standard was adopted in the second offer. I have looked at the business done by this road in 1873, because you can infer from that whether the road was in a good or a bad condition. I find that it carried 174,894 passengers more than ninety-five millions of miles, and 487,484 tons of freight over 223,000,000 miles; the net earnings, over and above working expenses, amounted to $5,291,000. A road that can carry that number of passengers and that amount of freight over so many miles, pay all expenses and net to the good $5,791,000, is a road in good order. Then, another objection is that it is a gigantic monopoly. It was necessary to make it a monopoly in a certain sense, but that it is a gigantic monopoly in any sense prejudicial to the country I entirely deny. In the first place, it must be borne in mind that the road will run west not far from the parallel of Winnipeg. We will suppose that it runs on that parallel—it does for the first hundred miles, and I believe for the second hundred also—it may afterwards run a little south, but it turns to the north again. There is no monopoly of any description north of the line. The country on the north side of the Pacific Railway is left perfectly free to anybody and everybody, and no provision whatever is contained in the charter making a limitation of any kind. The greater part of the country is to be found to the north of the line not to the south of it: to the north an immense territory stretches out towards the Peace River, containing the bulk of the valuable country. To the south there is a monopoly in this way: that all railways must run in a westerly or southwesterly direction, and only the Pacific Railway Company itself is allowed to run lines in a southerly or southeasterly direction.

Hon. Mr. SCOTT — Hear, hear!

Hon. Sir ALEX. CAMPBELL — My hon. friend says "Hear, hear." The object of that is to prevent other people—I will show presently why there is no danger to be apprehended from the Pacific Railway Company—from constructing railways which would carry off business to the south by lines through Minnesota and Dakotah. But there is no occasion for such a restriction as against the Pacific Railway Company, because they will own the whole line of railway running from Selkirk to Thunder Bay and eastward, north of Lakes Superior and Huron. Fifty millions of money will be involved on their part in the maintaining of business on the line of the Pacific Railway. What danger. therefore, so far as they are concerned, is there that they will build lines elsewhere to take business from it? They can have no other object but to get traffic for their road. Other people are not cut out. It is not said that other lines shall not be built south-westerly, but they must come to Parliament for authority, and the difference between the Pacific Railway Co. and the others is this: they are allowed to build anywhere, while others only build in a certain direction, and must come to Parliament for the right to build. This Company is interested in preserving the business on the Pacific Railway. They must, in order to make their undertaking a success, bring all the business they can to the Pacific Railway, and therefore they are allowed to build branches. The very name "branches" conveys the idea of roads which will be feeders, tributaries to the trunk line. The moment they construct a line to carry traffic away from the Pacific Railway it ceases to be a branch line; so I do not think there is any danger there. This view, which seems to me a very just one, is strongly put forward by a paper published in St. Paul. It is said by some gentlemen who are opposed to this measure that the Syndicate will carry off business to the south because they are interested in a road running to St. Paul; but it must be borne in mind St. Paul is not a terminus. The freight must go to Chicago and New York. Therefore they are supposing this: that this Company, owning a line of railway through Canada which cost them $50,000,000 will, for the purpose of getting business for a comparatively short line of 480 miles carry off freight from the longer line and run it to the States. They have nothing to do with the lines connecting St. Paul's with New York, and is it not unreasonable to suppose that they will carry off business to the line in which they have a comparatively small interest? It must also be borne in mind that by giving them the right to build branches running to the south it will enable them to carry business to the Pacific Railway. In the future it is confidently believed by gentlemen who have given attention to the subject that the business of Dakotah and Minnesota will come to us and pass over the Pacific Railway to Montreal and down the St. Lawrence. That is the result which is contemplated and which seems very probable — one much more probable than the other suggestion—and which is the view put forward by the writer in the St. Paul paper to which I have alluded, and which I shall detain the House a moment to read. It is as follows:—

"If they owned and controlled that portion of the Canada Central or Canada Pacific east of Sault Ste. Marie it would be obviously for their interest to make it the outlet for their Minnesota system by a connection between St. Paul and Sault Ste. Marie. They would thus carry their freights to the seaboard for the greater part of the distance over their own lines, instead of being dependent, as they now are wholly, on the Chicago lines terminating at St. Paul and Minneapolis. They do not own a mile or a foot of railroad between St. Paul and Chicago, and they have, therefore, no interest whatever in feeding those lines, or in diverting to them the traffic either of their Minnesota lines or of the Canada Pacific. On the contrary, it is plain that if they owned the Canadian Pacific eastward from the Sault Ste. Marie they would have a vital interest in making it the outlet not only of their Canadian Pacific business, but of all their Minnesota and Dakota business which might be destined to the seaboard. A connection between St. Paul and Sault Ste. Marie would be to the St. Paul, Minneapolis and Manitoba an imperative business necessity, because in no other way could they make the eastern section of the Canadian Pacific pay.

"We suppose it is a plain business proposition that their earnings depend upon the amount of business they do on their own lines, and not on those of some other corporation; that therefore they will necessarily make every effort to secure all the business they can for their own lines, and especially to see that their own business shall, if possible, go over their own lines. It is not at all probable that the eastern section of the Canadian Pacific could for many years be made to pay its running expenses except through a connection with the Minnesota and Dakotah system of railroads. In order to make it pay enough to render it worth their while to invest their money in building it, they must find means to throw all the traffic not only of the Canada Pacific, but of their Minnesota and Dakota roads upon it. Its whole commercial value to them depends on their making it the eastern outlet of their Minnesota system, which they can only do by connecting it with Sault Ste. Marie. The idea that they would deliberately divert the traffic of the Canada Pacific and of their Minnesota and Dakota hlines to the Chicago and New York railroads, in which they have not a dollar's interest, from the eastern outlet built

> and owned by themselves at a cost of many millions of money, is the most preposterous absurdity which was ever hatched by partisan extravagance."

Another objection which was taken to the arrangement was that the company might impose any rate of freight they pleased upon the future inhabitants of the country and the rates charged by the St. Paul, Minneapolis and Manitoba Railway have been quoted. Since that objection was taken we know that it was mentioned in the other House by the Minister of Railways that an amendment to the Consolidated Railway Act will be introduced which will clear up any difficulty on that point. I do not myself think that there was any real ground for apprehension in the contract as it stood. It was urged that the Government could not reduce the freights below a sum which would pay ten per cent. on the capital of the company. It was contended by those who were opposed to the Bill that the meaning of this was the amount of money used in constructing the road whether furnished by the company or by Government subsidies. The charter fixed the capital at $25,000,000, and we thought it was clear that it was upon this sum, or so much of it as might be paid up, that the 10 per cent. applied. It was argued on the other hand that the rates could not be controlled until the company earned ten per cent. upon what the road cost, whether in subsidy or in money. I do not think that construction was the true one, but even if it was, it has been remedied since in the way mentioned in the other branch of the Legislature by the Minister of Railways. The Bill to which he referred will be introduced this session, and will apply to this railway, and to all other railways in the country. Then it has been objected to this measure, there is an exemption from taxation which is altogether an anomaly and which will have the effect of putting a great many millions into the pocket of this company, and depriving the country same amount of money. I do not think that I can explain that more clearly or in better terms than was used in another place by a gentleman whose attention had been directed to it. In the first place it was urged by an hon. gentleman in that House that the amount involved in this question was $21,000,000 — that this exemption from taxation was equivalent to giving the company $21,000,000. He had arrived at that by a process which I shall speak of presently. It was urged by another gentleman that the exemption was worth $40,000,000. These are expressions and exaggerations which I thought would have been retracted when the explanation was given. They may have been; I do not know; but the mistake was one which had been arrived at in the manner which I shall explain. The true amount involved was stated, upon a calculation which I think every one will concur in, to be $6,481 per annum. To arrive at that calculation 1,000 miles must be taken as the distance to which the exemption applies. It does not apply to any land in Ontario or Manitoba or British Columbia, but simply to the prairie section which is in the North-West Territories, and for those 1,000 miles, making a calculation that the lands are worth even as much as lands are rated at in Ontario, and estimating 12 acres to the mile, which is more than sufficient, and, allowing 3,000 acres for sidings and buildings, which is also much more than sufficient, and, estimating that land is worth $12.14 an acre — as is done in many counties in Ontario — making the calculation upon the total distance on this estimate $432,000 is the value of the exempted land on which the railway is built; and assessing it at a rate above the average rate in Ontario, a cent and a half, gives $6,481, which is the amount, or more than the amount, of exemption from taxation, so far as regards the railway itself. Now, let us see whether there is anything unusual in exempting railways from taxation. We all know how ready in this part of Canada people are to give aid to railways; how ready municipalities are to assist them, and how constantly it is done. I have before me a statement of the various amounts which have been given in aid of railways by municipalities, by the different provinces, and by the Dominion. The amounts are as follows:

By the Dominion......	$66,166,539
Ontario...........	3,915,517
Quebec............	10,877,015
Nova Scotia.......	1,894,350
New Brunswick....	3,308,000
Total..........	$86,161,422

And by municipalities in :—

Ontario	$8,000,000
Quebec	3,000,000
Nova Scotia...........	275,000
New Brunswick.......	296,000
Total..........	$12,782,000

Altogether a total of $98,000,000 from the Dominion, the provinces and the municipalities. I should think, in the face of that, that it would hardly be contended there was anything unusual or extraordinary in our conceding that point. It must be borne in mind, also, that municipalities are constantly ready to aid railway enterprises. Take the town of Winnipeg, for instance. The other day it offered to give thirty acres of land in the heart of the town for the shops of this Pacific Railway, and to exempt them from taxation for ever. We all know that municipalities are constantly anxious to get railways to establish works and shops within their limits, and always ready to exempt them from taxation, and, after all, this is the amount of this clause. We have been told also, that we should not have exempted the lands from taxation. I should like to know what company would consider this land grant of value if it was to be taxed the moment they got it. The exemption is for twenty years or until the lands are sold or occupied. If the lands were taxed immediately, instead of being an advantage to the company they would be a great burden, because almost as soon as settlers get in there the lands might be seriously taxed, and the belief that they might be would militate very much against the use which the company might make of them as a security to borrow money upon. This exemption has been spoken of elsewhere as worth an enormous sum of money, and my hon. friend the Minister of Railways, was charged with throwing away $23,000,000 of money by it, and the Union Pacific was quoted as paying $835,000 a year in taxes, whereas it turned out that they had paid that sum in seventeen years. It is difficult to say what the exemption may be worth, but certainly more than twenty millions less than the estimate I refer to. But it must be borne in mind that if the lands are to be exempted for twenty years, unless sold or occupied, the effect of that exemption on the volume of taxation of the country is the only contribution the future population of the North-West is making to the cost of construction of the railway. We in this part of the Dominion have contributed to the constructing of railways in all directions at a cost of $98,000,000. The population of the North-West will come party from these provinces, it is true, but chiefly from Europe. Immigrants will settle there and have all the advantages of railway communication, with all the increased value it gives to their property and crops, and the chief contribution which they will make is the additional taxation which the fact of the exemption of these lands will swell the gross burden of the country to. I do not think that can be considered in the least unfair; on the contrary, it seems to me a proposition which is reasonable and right in itself. Then, we find also that it has been the custom in the United States. We find that taxation is not imposed on the lands of the Union Pacific Railway. We find in the various States of the Union — Minnesota, Dakotah, and in other States, Texas particularly, the lands which have been given to railways are exempt from taxation. That system may possibly have been pushed too far, and it may be said about the United States that, although the lands of the railways are exempt from taxation, yet, in consideration of having these lands, the companies pay a certain State tax. In most of the States they pay a State tax, but not in all, but that would not affect the actual settlers, or help them in their local wants. Suppose there was a State or Dominion tax imposed on this Railway, that would not assist the settlers, but come to the Dominion revenue here. It would not aid the settlers to build roads and bridges, and would have no direct effect on their finances in any way, but would impose a burden on the company for the benefit of the Government, and not for the benefit of the settlers of the country. And it must also be borne in mind that we have made the most liberal arrangements as regards education for them, by which their children and descendants will have lesser and higher education without the expense of a farthing.

Then, hon. gentlemen, another objection has been taken, that there is an immunity from customs duties. The immunity from customs sounded very badly at first, apparently. There was a good deal said about it, and our friends were very anxious about it, while the opponents of the measure were highly elated to think they had found such a strong point, as they thought, against the scheme itself. But when it comes to be debated it does not seem to be a serious thing at all, and certainly not one which has attracted latterly as much attention as it did at first. I have had a statement prepared of the probable amount of exemptions from duty under the Syndicate contract. In the first place we have had the steel rails mentioned, but steel rails are free from duty now, and will be for two years; then there is the duty on fish-plates, they are also free. The Minister of Finance, who introduced that measure which took off the duty, said last year that the exemption on rails and fish-plates would be maintained until the country is able to produce its own steel rails, but if it had been for two years certain what would be the result! The company could and would probably have imported all the steel rails required for the construction of the Pacific Railway during the next two years, and they could have at once obtained an advance from the Government for the purpose of paying for them. The result of this measure may be the construction of steel rails in the North-West. It is very likely, indeed, that with this enormous enterprise before them the company may find it to their advantage to utilize the iron and coal of the North-West and construct their own steel rails. The duty on the steel rails for the whole distance would be $362,934, and on spikes $17,438, but the whole of the duties which are affected by this clause will not, under any circumstances, amount to over $120,000; and it has been announced in another place that part of the project which will yet be submitted to Parliament will include the making of an allowance to manufacturers in this country to balance this exemption from duty, and put them in the same position of advantage which they now hold towards foreign manufacturers as regards those items that may be imported duty free; so that those who manufacture similar articles in Canada, going into the construction of the Pacific Railway, will have the same relative advantage over those who are importing into this country as they have now. I have now gone over, I think, the principal objections. I did not intend to refer to every objection, nor do I intend to bring under the notice of the House the second offer which was made and which was referred to just now, in a remark made by my hon. friend from Richmond. I do not propose to discuss that offer, or to draw the attention of the House to it at present. It does not seem to me to be an offer necessarily involved in the discussion of the scheme on the table, sofar as I am concerned, and so far as the duty I am now discharging is concerned, and I desire to present the present scheme without reference to it. Nor do I desire to go further into the other objections which have been raised. I am content to have endeavored to place before the House a clear statement of the project itself, and to have answered the more serious objections which have been taken to it. Let us pause one moment to reflect what will probably follow if this contract should go into execution, as I hope and trust it will; what a stimulus it will give to all the industries and trade of the country; what ships it will bring to our ports with immigrants; what stimulus it will give to our manufacturers by the expenditure of enormous sums of money for the construction of the railway, involving all kinds of articles of trade, supplies and imports; what a stimulus it will give to trade, commerce and manufactures of every description! What a stimulus it will give to immigration and the settlemen of the country; how it will increase the population of the North-West; what advantages it will afford to those of our fellow subjects in England, Ireland and Scotland who may be anxious to leave their native land and still settle under the British flag! I do not wish to draw invidious comparisons. I did not refer to what was done by the late Government in any spirit of party warfare, but I adverted to it for the legitimate purpose of drawing a comparison between the efforts put forth by the two Governments, and, I think, I have established that the effort we are now making is one far more entitled to the approval of Parliament and of the country than the one which they made. I think I have also established that the arrangement itself, and by itself, is an advantageous contract for the country. I am afraid that I have detained the House by a speech of intolerable length, but I was very anxious to submit a clear statement of this great scheme, and, if I have done that, I have accomplished the full purpose for which I rose. I trust that the measure will meet with the approbation of the House. The Government look forward with assured hope to its proving of great advantage to the country. It's execution has been placed in the hands of men who are eminent in the practical work of railway construction, sufficiently skilled and sufficiently experienced, and who have financial resources sufficiently strong for the project which they have undertaken. I trust they will succeed in their great enterprise, and that those of us who may survive until 1892 will find this work completed, and, through its means, the settlement of many hundreds of thousands of people in the great North-West; people who will be enjoying happy and prosperous homes, with prospects as bright as those of the denizens of any part of the world, and who will in the future maintain with us the British flag on this continent, and feel with us that freedom and order are more fully secured under its folds than under any form of government which human ingenuity has yet invented.

Hon. Mr. SCOTT — The close attention that the House has given to the observations that have fallen from the leader of the Government are the clearest possible evidence that hon. gentlemen feel the importance of the subject that is now under debate. Certainly, since Confederation, no proposition has ever been submitted to the consideration of this Chamber or the Parliament of Canada involving matters of equal importance with the present one. The hon. gentleman has, in the course of his observations, endeavored to show to this House that it would be to the advantage of this country to, as he says, accept the proposition now before the House. He prophesies very many advantages which are to flow from the passage of this Bill. I do not concur in the views which the hon. gentleman has expressed, either in reference to the advantages which the country will derive from this contract, or the conclusions that he has drawn as to the relief it will be to this country to have this road constructed under the proposition submitted by the Government. I agree with the observations with which he opened his speech to the House in reference to the obligations we entered upon in 1871 with British Columbia, but the fact that we are now, at a period of ten years from that date, discussing the project of the Pacific Railway, must be the best possible evidence that the proposal of the Government of that day was entirely premature; that the circumstances of the times did not warrant the promise made to British Columbia, when that Province came into the Union, that Canada would, within a period of ten years, construct an all rail route from the Atlantic to the Pacific. We find ourselves, at a period of ten years from that date, now discussing seriously a proposition to build this railway; for, practically, to-day, in the direction of British Columbia, we have not any consecutive line of railway, beyond that very short portion that extends westward from Winnipeg of the first hundred miles, and the portion from Thunder Bay to Selkirk that is still incomplete. No evidence could be stronger that the proposition of that day was an extremely imprudent and hasty one on the part of this country. In accordance with the treaty I recognize that it is the duty of this country to build the railway, but to build it only so fast as the circumstances of the Dominion will warrant. Time and again, both during the administration of the late Government and of the administration that preceded it, the principle was laid down in the House of Commons, and was also embraced in the Act of Parliament of 1874, that this railway should be built no faster than could be prudently done, considering the finances of this country. Its construction was not in any degree to entail additional taxation. In order in some degree to show our earnestness in that work, and to complete the railway within some reasonable time, we have on at least two occasions increased the burden of taxation upon the people of this country, and therefore, I say, we are in a position to-day to take the ground that it is our duty not to push forward that work with greater haste than can be done prudently and consistently with the financial position of Canada. This subject is one that has excited greater interest than probably any other that has been presented to the people of Canada for many years. It has been debated day by day and night after night in another place for the last seven weeks. The people of Canada have met in the various centres of population and discussed the proposition. In my opinion, the majority of the people of this country are not in favor of the measure now under consideration. That, of course, would be disputed at the outset, but it must be conceded that a very large portion — even if that portion is a minority of the people of Canada — feel that a very grave mistake is being made in forcing this contract through Parliament at the present moment. The Government is endeavoring to justify its conduct by comparing this contract with the terms set forth in the Act of 1874, assuming that proposals for building the Pacific Railway in that year would be applicable and reasonable in the year 1881. The leader of the Government in this House gave in the figures showing the cost of the Grand Trunk Railway, $108,000 per mile as an illustration of what a railway might cost. Would he be prepared to justify the payment of such a rate per mile in the present year? The hon. gentleman thinks we should accept this proposal because it is as good as could be effected under the Act of 1874, and it is equal, in his judgment, to what was proposed under the legislation of 1872.

Hon. Sir ALEX. CAMPBELL — Better.

Hon. Mr. SCOTT — The hon. gentleman went further, and he gave us estimates, as he said, of the cost of this railway, in order, in some degree, to magnify the labor and cost that the contractors have assumed, and I was rather surprised at this day to hear the extraordinary quotations he made as to the building of the Pacific Railway, and what it was going to cost the contractors. At one time it was up to $129,000,000; another time it was $116,000,000. He seemed, however, to have finally fixed the cost at $100,000,000. He quoted Mr. Blake, and other gentlemen in the House of Commons, who, at some time or other, had given expression to opinions tending in that direction. Now, in the last ten years, we have made very considerable progress in our knowledge of what the Pacific Railway will cost. We have spent over three and a half millions of dollars in ascertaining what that cost will be. Year after year blue books have been submitted to us giving the result of the labors of that vast army of engineers and surveyors that have flooded the country between Lake Nipissing and the Pacific coast, and this House has often commented on the extraordinary expense that has been incurred on these surveys. Up to a recent period that land was a *terra incognita*. No one was prepared to speak confidently of its resources up to the time we took it over from the Hudson's Bay Company. Very few explorers had traversed that country it was known only to the Hudson's Bay Company's people. We have been gathering our information of it since we made the purchase. After we acquired the country we supposed there was a large area of valuable land there, but I think I am safe in saying to-day that if the more recent reports are to be relied on we have a far more valuable territory there than we supposed when we first secured that country ten or twelve years ago. The circumstances to-day are very different from the circumstances at the time of the passing of the Act giving the contract to Sir Hugh Allan and those who were associated with him. Many hon. gentlemen in this Chamber have often spoken of that as an excellent contract, a contract under which they believed this work could have been carried out. Well, if it was an excellent contract, when they come to compare the details of that contract with the details of this proposition, they will scarcely be justified in saying that the present contract is a good one for the country. In showing how very unfair the mode of argument assumed by the leader of the Government is, in comparing the proposal of 1881 with the Act of 1874, or the charter of 1872, I may remind this House that the value of money has entirely changed since that period — the value of money is at least two or three per cent. less than it was at that time. Take the price of consols at that date, and compare it with the price to-day. I believe that at no time in the last quarter of a century have consols been at par until within the last month. Take the value of money in the United States, where it has gone down to four per cent.; in 1872 it was difficult to get money in that country under six per cent. Consider the enormous sums that we have spent in the North-West, entirely apart from the Canadian Pacific Railway surveys, and from the building of the line, in that period, and they amount to at least ten millions of dollars. We spent large amounts on the Dawson Route, on immigration, in feeding and supporting the people in that country in the years 1875 and 1876, in extinguishing the Indian title, in keeping up the Mounted Police for the preservation of peace during the last seven years; hon. gentlemen will find that the expenditure foots up a sum of nearly ten millions of dollars. We have collected a vast deal of information during that period, and it is conclusive proof that the circumstances of to-day were not the circumstances when the Allan contract was made, nor were they the circumstances when the Act of 1874 was adopted by the Legislature. In 1874 it took weeks where it does not now take days to get from Ontario into that country. There was no access by rail; there was no American railway line to connect us with the boundary of Manitoba; there was no opening from Lake Superior to Red River except through the difficult and tedious route known as the Dawson Road. It is also within the remembrance of hon. gentlemen that, during the years 1875, '76, '77 and '78, a cloud of depression hung over this country, which lessened the value, not alone of railways, but of all other securities, which was felt very severely by the people of Canada during the years in which the late Administration endeavored to float a scheme for building the Pacific Railway. The hon. gentleman has adverted to, and taken as a basis for his calculation, the project of building the Georgian Bay Branch, and has quoted the Foster contract as an illustration of the working of the Act of 1874. That was an extremely unfair mode of comparison. It is very well known that no tender was ever accepted under the Act of 1874, as the Act contemplated the work from Callendar Station to the Pacific Ocean. No proposition of that kind the Government ever entertained, and the Georgian Bay Branch cannot in any way be quoted as an illustration of the cost of the road under the Act of 1874. Hon. gentlemen know very well, also, that that section was an extremely difficult country to build a railway over; we had evidence presented to this House that it was over a series of rocky ridges. No fertile lands existed along the route, and, if there were any, they did not go to the contractor. The contractor was not, as in this case, to receive the lands which his railway made valuable; but, if the proposition to take the $10,000 per mile, 20,000 acres, and four per cent. on $7,500, was a fair proposition for the Georgian Bay Branch, where there was no fertile land fronting on the line, would hon. gentlemen say that for a thousand miles over the prairie that would be an equally fair proposition, or that the Government would be justified in giving the building of the railway on similar terms to a company to traverse the easy section of the prairie, and giving them the lands facing on the railway, and which were made valuable by its construction! I think I can appeal to the common sense of hon. gentlemen to say that there is no parallel between the two cases. The Allan contract of 1873 was the only proposition ever submitted for building the Pacific Railway by a company — the road to be owned and operated by the company — under any Act of Parliament. I think the times and circumstances are widely different now, and what would have been a fair and reasonable proposition in 1873, would, in my judgment, not be a fair or reasonable proposition in 1881. Still it is useful as showing us what in the opinion of the people of this country would be a fair proposition at that time. I shall, therefore, after making some comments on the basis which the hon. gentleman laid down as the cost of the building of the railway, make a comparison between the proposition of the Allan company, and the proposition which we now have before us. It is quite unnecessary for us to discuss what was Mr. Fleming's opinion in 1870, or Mr. Fleming's opinion in 1874, or Mr. Fleming's opinion in 1877. We, fortunately, have Mr. Fleming's opinion in 1880. We have his opinion after the matured deliberation of ten years' experience. We have his opinion, not theoretically given as it was on former occasions, but we have it after the Pembina Branch was completed and in operation; we have it after some 200 miles of the main line was built and in operation — used by the workmen at all events — between Thunder Bay and Red River, an opinion which was given so late as nine months ago. We have it also after the present Government had given out the sections known as the Onderdonk contracts, between Yale and Kamloops, the cost of the surveys was known and recorded in the blue books; the cost of completing the Pembina Branch was known, and the amounts then expended on the section between Lake Superior and Red River; therefore I say that Mr. Fleming was enabled to give us a very correct estimate of what the portions then building would cost, and also what the other portions could be built for. This estimate was made at the special request of the Minister while the subject of railway expenditure was under consideration in another place. On the 15th of April, 1880, the Minister of Railways addressed this letter to the Chief Engineer: —

"*The Minister of Railways and Canals to the Engineer-in-Chief.*

"DEPARTMENT OF RAILWAYS AND CANALS,
"OTTAWA, 15th April, 1880.

"DEAR SIR,—The Pacific Railway debate will begin this afternoon, and I must ask you to furnish me with an estimate of cost. In doing this, take the following data:—

"The four contracts recently let in British Columbia, making full allowances for the reductions to be made and referred to in your report on these contracts,

"The contract for the first 100 miles west of Red River, as it is being carried out with half ballasting, etc.,

"The accepted tender for the work on the second hundred miles section west of Red River, ($438,914).

"With regard to the location and character of the railway, I am aware that your own preference has been for a line with light, easy gradients. The Government recognizes the advantage of this feature between Lake Superior and Manitoba, but west of Red River we attach less importance to it than the rapid settlement of the country and the immediate accommodation of settlers.

"The policy of the Government is to construct a cheap railway, following, or rather, in advance of settlement, with any workable gradients that can be had, incurring no expenditure beyond that absolutely necessary to effect the rapid colonization of the country.

"In accordance with this policy, Mr. Marcus Smith has found a line on the second hundred mile section where, two years ago, he reported it impracticable under the old system of gradients, and he has stated to me that there will be no heavier hundred mile section than this one between Manitoba and the Rocky Mountains. I am, therefore, perfectly justified in calling upon you to take the accepted tender for the second hundred miles section as the basis for estimating cost up to the mountains.

"You have recently shown me returns from Messrs. Caddy & Jennings, indicating large reductions effected on sections 41 and 42. The rails for these sections have been secured at very low rates, and there are other circumstances which I need scarcely say will enable you to place the cost of opening the line from Selkirk to Lake Superior at much less than the sum named a year ago.

"Yours faithfully,
"CHARLES TUPPER.

"SANDFORD FLEMING, Esq.,
"Engineer-in-Chief,
"Canadian Pacific Railway."

The Government had departed somewhat from the original intention of having this a first-class road; that, under the circumstances, as it was being built as a Government work, it might be wise and prudent, at all events for the present (I am not going to question the wisdom of their conclusion), until the traffic increased, to keep down the expenditure in the construction. Having regard to that, the Chief Engineer is asked to make an estimate of the cost of the works not only under construction, but the cost of those sections that the Government proposed letting within a very short period from that date. In answer to that the Chief Engineer addresses the following letter to the Minister of Railways:—

"CANADIAN PACIFIC RAILWAY,
"OFFICE OF THE ENGINEER-IN-CHIEF,
"OTTAWA, 15th April, 1880.

"The Honorable,
"Sir CHARLES TUPPER, K.C. M. G.,
"Minister of Railways and Canals.

"Sir,—I have the honor to submit the following estimate of expenditure necessary to place the Canadian Pacific Railway in operation from Lake Superior to Fort Moody.

"I understand the policy of the Government with respect to the railway to be:—

"1. To construct the section between Lake Superior and Red River with the limited gradients and curves set forth in my reports laid before Parliament, so as to secure cheap transportation, and to provide, by the time the railway shall be ready for opening, an equipment of rolling stock and general accommodation sufficient for the traffic to be then looked for.

"2. To proceed with the work west of Red River by constructing 200 miles on the route recently established. The roadway and works to be of the character defined by the 48th contract and the tenders for the 66th contract recently received.

"To proceed with the construction of 125 miles in British Columbia under the 60th, 61st, 62nd and 63rd contracts. The expenditure on the 125 miles to be limited in accordance with the provisions of the contract, and the views set forth in my report of the 22nd November last.

"To proceed gradually with the intervening distance; to delay placing additional sections under contract in British Columbia until the 125 miles are completed, or well advanced, thus preventing any undue increase in the price of labor.

"To carry construction westward from Manitoba across the prairie region only as settlement advances."

Then Mr. Fleming goes on to discuss several matters in connection with it, and he gives his estimate, prepared for Parliament—his estimate after ten years' experience. Hon. gentlemen will recollect that this is done by the direction of the Minister, put down to the very lowest possible scale at which it would be proper in the interests of the public to build the railway — not a high class road as we have in the Intercolonial Railway, but a road that will simply suit the circumstances of the country until it is populated. On that basis Mr. Fleming gives the following estimate:—

"Fort William to Selkirk (406 miles), with light gradients, including a fair allowance of rolling stock and engineering during construction		$17,000,000
Selkirk to Jaspar Valley (1,000 miles), with light equipment, etc.		13,000,000
Jaspar Valley to Port Moody (550 miles), with light equipment, etc.:		
Jaspar to Lake Kamloops, 335 miles, at $43,660	$15,500,000	
Lake Kamloops to Yale, 125 miles, at $80,000	10,000,000	
Yale to Port Moody, 90 miles, at $38,888	3,500,000	
	$29,000,000	
Add	1,000,000	
		30,000,000
Total miles, 1,956		$60,000,000

"The above does not include cost of exploration and preliminary surveys throughout all parts of the country north of Lake Nipissing to James' Bay in the east, and from Esquimalt to Port Simpson in the west, between latitudes 49° and 56°, not properly chargeable to construction, $3,119,618, or the cost of the Pembina Branch, $1,750,000, or with other amounts with which the Pacific Railway account is charged."

In a subsequent letter, which I need not detain the House by reading, he estimates the cost of building the eastern section at $20,000,000, but he says even to keep at those figures that great care will have to be taken that due economy is observed, and concludes his observations with these prudent remarks:—

"The cost may be enhanced, moreover, if the location of the line be placed in the hands of careless or inefficient men, who may fail to exercise the prudence and judgment called for, or who may neglect, through want of care or skill, to lay out the work with regard to economy. Or if the supervision of the contracts be lax, so as to admit of the possibility of work not absolutely required being executed, or of payment being made in excess of work performed, increase of cost will result. From first to last the strictest economy will have to be enforced, and rigid control exercised over the expenditure."

Now, Mr. Fleming is speaking not of the prairie section alone, of which only 100 miles was then being built, but he is speaking of that portion more particularly which lies between Thunder Bay and Selkirk, and the portion of the work in British Columbia known as the Yale-Kamloops section. He adds:—

"The estimate submitted is based on the data set forth, and on that data the whole main line, from Port Moody, on the Pacific coast, to the Eastern Terminus, in the neighborhood of Lake Nipissing, may be constructed in the manner and under the circumstances referred to, for about $80,000,000. But to meet any of the possible contingencies to which I have referred, I beg leave to recommend that in considering the subject of capital required for the undertaking, a liberal percentage be added."

One million of dollars was the allowance for extras. Mr. Fleming's estimate nine months ago, was made after the accumulated experience and judgment he had acquired in the long period during which he had been engaged in the carrying out of this work.

Hon. Sir ALEX. CAMPBELL—And on the character of the road laid down.

Hon. Mr. SCOTT—Keeping the expenditure down as much as possible on the portions of the road to be built by the Government. I have just analyzed the portions of the work that are to be built by the Government, and I have also analyzed the work to be built by the contractors under this proposition on Mr. Fleming's estimate.

Fort William to Selkirk..	406 m.	$17,000,000
Kamloops to Yale.......	125 "	10,000,000
Yale to Moody..........	90 "	3,500,000

These sections the Government undertake to construct for the contractors, and to have them ready at the end of ten years. Of course that must be subject to the question whether labor can be had as cheap then as now, and to a variety of circumstances. That, however, is Mr. Fleming's estimate. The Pembina Branch, 83 miles, costing $1,750,000, is to be handed over, and the Government have purchased the line between Fort William and Prince Arthur's Landing. I presume that they have not given a very large sum for it; however, it is six miles more given to the Pacific Railway. Then I take and divide the amount of extras that Mr. Fleming placed on the whole work, and I only charge on the Government part of it $250,000, and the whole amounts, according to Mr. Fleming's estimate, to $35,619,618, in which I have included, very properly I think, the cost of surveys, $3,119,618. Now, I take from that the equipment, which was to be of a very light description, $1,000,000, which leaves, in my opinion, after giving the matter due consideration, the amount to be expended by the Government, $34,619,618. Those figures are entirely based on Mr. Fleming's estimate of the amount actually expended, and to be expended. Now the Syndicate expend on the eastern section, 650 miles, $20,000,000; Selkirk to Jaspar, 1,000 miles, $13,000,000; Jaspar to Kamloops, 335 miles, $15,500,000. I attach also to the miles to be built by the Syndicate the balance of the extras — the one million dollars that Mr. Fleming placed on the whole line — and I assume that the Syndicate will have to pay $750,000 in excess of the figures that Mr. Fleming has given; that would give as the expenditure for the Syndicate $49,250,000. The Government expenditure proceeding *pari passu* in furnishing their line at the same time $34,619,618, making a total expenditure of $83,869,618. Mr. Fleming puts it in round figures at $80,000,000, with very great economy, but, as he observed in the concluding portion of his report, a liberal percentage will, no doubt, have to be added to his $80,000,000, so that these figures correspond with Mr. Fleming's estimate. Now, I propose taking the present contract and comparing it with the only existing proposition that ever was made for building the Canadian Pacific Railway by a company, and that is the contract made with Sir Hugh Allan and his associates in 1873. But in doing that, I wish hon. gentlemen to bear in mind the observations that I made in reference to the times then and the times now; and, in addition to what I then said, I might draw attention to what is probably more striking, as it is more pertinent to this subject — the altered condition of the railways in Canada and the United States then and to-day. We had from 1874 down to 1878, a depression extending, not alone over Canada, but over the United States, and was felt very severely by the railways. Hon. gentlemen will recollect that the newspapers from day to day announced the fact that the railways were passing into the hands of receivers, being sold by the order of the courts, sold often for the iron that formed the road bed, the parties who had embarked their capital in those enterprises losing it absolutely. We know as a matter of fact that the Northern Pacific Railway, chartered in 1864, although endowed with an enormous land grant of 47,000,000, running through a fertile country, came to ruin during that period. In 1874, I think, it was found impossible, even with the enormous subsidy of land and the many other advantages to which allusion has been made, to go on with that road. So it stood up to 1879. But what did we see the other day in New York in reference to the Northern Pacific Railway?

Why, when they asked for $40,000,000, offering their lands as security, they had no difficulty in getting it; the amount was subscribed the first day. The papers stated that they were offered $60,000,000, when they only required $40,000,000. No better proof can be given than that one fact of the change that has taken place; no better illustration of what my contention is, that the circumstances and times have so entirely changed that you could not make a comparison of what would be wise and prudent to pay in 1881, by reference to the propositions in the Act of 1874. Then take the St. Paul and Pacific Railway, which was chartered with a very valuable land grant, and which was built some years before the depression, traversing a country as rich as any on this continent. What was the condition of that road from 1874 to 1879? In a perfect state of collapse; no word could better describe its position. The lands were in absolute default, and the road was offered for sale in the markets of the world, but no one would touch it. We know how suddenly things changed in 1879. We know that the very gentlemen who are the prominent element in this contract, known as the St. Paul Syndicate, Messrs. Stephen, Angus and Hill, fortunately for themselves, secured that road just at the moment things were on the turn. It is a matter of notoriety the enormous sums that were made by that Syndicate out of that comparatively short railway of a few hundred miles in length. I notice that the people who sold to them are now contesting the sale in the courts. They are disappointed and annoyed that they were so foolish as to part with their road at a moment when lines were depressed, but they got the best price that could be paid for it. There was a sudden jump in railway property having land subsidies, and what was only worth a few hundred thousand dollars in April, was in August worth several millions of dollars. I know that the speculators in New York who took the Northern Pacific Railway bonds when they were worth only ten cents on the dollar, became millionaires simply by the altered condition of affairs. What caused it? One of the great factors in this change was the terrible depression in western Europe over the period extending from 1874 up to last year, during which, year by year, the demand for cereals became greater in France, Germany and England. All looked to the vast granaries of this continent to furnish the people of Europe with food. We see by the statistics of the United States, the vast exports of cereals from that country jumped hundreds of millions each year during that period, until last year the export of cereals alone from the United States was over $600,000,000 in value. What effect had that? It had this influence on the people in Europe: it turned their attention to the future of this country; they saw that the food supply of Europe, at all events, must be furnished by America — that the food supply of the world was in the North-West. Fortunately for us we have a North-West of our own — a vast area that will produce just as bountifully, when it is peopled by an industrious population, as the country immediately south of the line of 49. That was one of the causes, and that cause has only come to the surface within a comparatively short period. It entirely alters the condition of the North-West, and places the lands of our prairie country on an entirely different basis. Does anyone suppose that in the years 1874, 1875 or 1876 we could have sold the lands in the North-West for a dollar an acre? No; we could not. And do not hon. gentlemen know to-day that lands are held there at $5, $15 and $20 an acre? The Manitoba and South-Western Railway issued their prospectus the other day, and what do they announce to the world? That they are entitled to 10,000 acres per mile; that they bought their lands at a dollar an acre, and they propose, out of their comparatively limited area of lands, to derive a profit of $10,000,000. They have, no doubt, placed it at a high figure, and have colored it with golden language, in order to attract investors and give their lands an enhanced value. But, making all due allowance for their desire to give very much greater value to their lands than common sense would warrant or justify, still we must all recognize the fact that the lands in the North-West to-day are very different in value from the lands in the North-West three years ago. The day before yesterday, I saw it stated that an unpretending building and lot on Main street, Winnipeg, changed hands at $200,000.

Hon. Mr. ALMON — It is a mistake. It was $20,000. I hope there is not as great a discount to be taken off the other figures.

Hon. Mr. SCOTT — Possibly it will bear a very heavy discount, taking as an element, and one which is a very good guide, the Hudson's Bay Company's stock in 1875, 1876, and 1877, when, with the knowledge that people were going into that territory, and that the fur-bearing animals were becoming scarcer each year, the Company's stock went down until it was considered of very little value. What is it worth to-day? It has gone up to a fabulous figure, because they see that an element that they never reckoned on — the extraordinary value of their lands for years to come — is a basis on which they will get their dividends, and which had not been before thought of. In 1875 and 1876 a very small sum would have bought the Hudson's Bay Company people out of that country; to-day it would take a very large amount of money to purchase their interests. If they base their figures to-day on the Canada Company's report of a few weeks ago in London, they certainly would want a large figure; and that reminds me of the point the hon. gentleman wanted to make, that it was of no very great consequence that the lands should be given to the Syndicate, as they could not be taken away, and they would be a source of very great profit to the country. Yes, but a source of very great annoyance to the people who, we hope, will settle in that country. I notice that the Canada Company, in their last report, quote their lands in Canada as being worth 75 shillings an acre. They pay their shareholders very handsome dividends, as they have been paying handsome dividends for years. It is a very pertinent consideration, in giving away this vast quantity of land. Upper Canada, under royal influence, was forced — forced is not too strong a word — to sell to a company of gentlemen in England a comparatively small area of land, and since that time those people have been drawing high dividends on their investment, and charging high rates to the people who have settled on those lands. It is impossible for an emigrant going into that new country to settle on the land he desires to obtain. Instead of settling on a Crown lot, as he supposes, he will find himself settled on a Hudson's Bay Company lot, a contractor's lot, or a school lot; and after his improvements have been made, he has to pay pretty sweetly for his farm. The experience of the Canada Company is a very little page in the history of Ontario.

It being six o'clock, Hon. Mr. Scott moved the adjournment of the debate until to-morrow.

The motion was agreed to.

The Senate adjourned at 6 p.m.

THE SENATE.

Friday, February 4th, 1881.

The Speaker took the chair at 3.25 p.m.

Prayers and routine proceedings.

CONTINGENT ACCOUNTS.

SECOND REPORT.

Hon. Mr. MILLER moved the adoption of the second report of the Select Committee on Contingent Accounts. He said: The report, which is on the Minutes of the House for the 1st of February, makes these recommendations, as follows:—

"1. To pay the salary or wages of each permanent officer, clerk or servant of the Senate who is paid monthly by one cheque only in and for each month.

"2. To date and issue such cheques for the month of July next, on Monday, the fourth of that month, and those for the seven succeeding months three days later each, as nearly as Sundays and holidays may permit; so that the salaries and wages for the month of February, 1882, may be paid on the twenty-seventh of that month; and thereafter to pay the same on the twenty-seventh of each month, or, if that day be a Sunday or holiday, on the next day thereafter not being a Sunday or holiday.

"2. To place in his Estimates for each year, as a separate item of contingencies, the amount payable by him in such year to the superannuation fund, out of the contingencies of the Senate, under the order of the fifteenth of May, eighteen hundred and seventy-three."

I may state to the House that some correspondence took place between the Auditor-General and His Honor the Speaker in reference to what were considered to be irregularities in the manner of paying the officers of this House, and also in the manner of paying the superannuation of the employés of the Senate. The whole subject was fully discussed, and the conclusions, which are here recommended in the report, were, through His Honor's mediation, arrived at between himself and the Auditor-General. They were then communicated to me; were afterwards, by me, as chairman, submitted to the Committee on Contingent Accounts, and received the approval of that Committee. There has been a practice, it seems, of paying officers of this House, and employés generally, with more than one cheque for each month's payment. The Auditor-General considered that that gave unnecessary trouble to the Audit office, and requested that in future the payments be made in one monthly cheque. We thought it a reasonable request, and the committee therefore recommended it. Then, as to the second recommendation, a practice has prevailed — in fact we found it in existence on the establishment of the Union — of paying the officers of the House on the first day of every month, and I think it extended to the Civil Service also, a month before the money had actually been earned. As to how that irregularity first crept in, or for what reason that departure from the ordinary way of doing business took place, I do not now intend to offer any remarks. Suffice it to say that such a system prevailed before Confederation, and after Confederation a report of the Contingent Accounts Committee of the House continued that system. The Auditor-General has reported that this is now contrary to statute, and that, of course, the accounts of the Senate made up in this way cannot be audited according to law, and it must be changed. It was therefore arranged, and I think very wisely so, that, in order to make the change as little felt as possible by those whom it would affect, a period of nine months would be taken, over which to spread the time. In postponing the payment of the month's salary in the case of the employés of this House, it was considered proper that that postponement should commence on the 4th of July next, and an additional postponement of three days on each month from that time would, in nine months, bring the date of payment of the wages of the employés of the Senate to the 27th of the month, the day on which it is proper that the payment should be made, and most convenient to the auditing of the public accounts. That change has been recommended on that account. The third recommendation has reference to the superannuation fees of officers of this House. The custom has prevailed of paying the superannuation charges of the officers of the House from the contingencies of the House, which is also, as reported by the Auditor-General, contrary to law. That custom has, however, also prevailed in the House of Commons, and, although without the sanction of law or statute, has been followed up a number of years in both Houses, with this difference, that, in the House of Commons, the superannuation fees were made a separate item of contingencies, charged under that head, placed in the supply, and afterwards paid with the sanction of law, on the passing of that Bill. But in the Senate it has been the habit to place these items under another head, which did not indicate what they meant, and it was an irregular way of doing it. If the system is to prevail that the superannuation charges of the officers of this House are to be paid, as they have been, out of the contingencies, it should be done in the same way as those of the officers of the House of Commons, and an item should be put in for the superannuation fees for the officers of the Senate and officers of the Library, who have been included in the superannuation allowance paid out of the contingencies of the Senate. The reason why a different course has been adopted in both branches of Parliament in reference to the superannuation deductions of employés from that followed in the Civil Service generally, is that it is considered that the officers of the House do not stand in as favorable a position as the employés in the Civil Service outside, who are entitled to periodical increases of salary according to their periods of service — a rule which does not apply to the employés of the Senate and House of Commons. It is on this ground that it is justified in the other House, and if it be a justification in that House for the course adopted with regard to those officers, it must be a justification in the Senate, so long as the practice remains what it is in the House of Commons.

Hon. Sir ALEX. CAMPBELL — I agree entirely in the observations of the hon. gentleman, and the report of the committee of which he is chairman, upon all three points. All those recommendations of the Committee are very just, and should be carried out. With reference to monthly payment in various sums of the salaries of officers of the House, it is an inconvenient practice, and I only wonder that those officers in the Audit Department who have been inconvenienced by it, have allowed it to go on so long. With reference to the second point, I think that the irregularity which the hon. gentleman alludes to crept in before the Union, in consequence of our moving from one place to another with the seat of Government. When these removals first took place they imposed a considerable additional expense on the officers of the public service of both Houses, and also of the departments, and they were allowed, I think, in consequence of the inconvenience they were put to by such removals, to draw their monthly salaries in advance, and the practice has gone on since that time. In the various departments of the service the reform contemplated by this report has taken place, and now, after the lapse of some months, we are merely arriving at the payment of salaries at the end of each month after the salaries have been earned — the plan pursued in private life, and the proper course according to law. With regard to the superannuation allowance, the argument used by my hon. friend is not altogether correct. In the public departments many of the officers get an additional allowance year by year, but that only applies to junior officers. Those who are high up in the departments go on for ten, twelve or fifteen years on the same salaries, and in that respect stand just in the same position as the higher officers of this House; and I think, therefore, the payment should not be made in the case of officers of the Houses of Parliament any more than in the case of the officers of the departments. They are paid salaries which seem to be sufficiently remunerative for the services they perform, and it is not a matter to be approved of by either House that, in addition to those sums that are set apart for the services they perform, another and further remuneration should be given in the way of superanuation allowance—more particularly done, as it is in this House, under contingencies, and without any attention being called to it in the House or in Parliament. I quite agree in the observation of my hon. friend that if it is to be continued at all, it should be by legislation, or that it should be placed under a particular item. I entirely concur in the recommendation of the Committee and should be glad to see the report adopted.

Hon. Mr. MILLER — I should have stated more distinctly than I did, when I was on my feet before, that the Committee favored the third recommendation for the present only. While the House of Commons continues to follow the system that now prevails in that House, there is no reason why the same system should not prevail here, but it was stated on the Committee that in all probability some change would take place before long that would bring the officers of both branches of Parliament under the same regulation as the members of the Civil Service.

The motion was agreed to, and the report was adopted.

NAPIERVILLE JUNCTION RAILWAY AND QUARRY BILL.

SECOND READING.

Hon. Mr. BUREAU moved the second reading of Bill (H.): An Act to incorporate the Napierville Junction Railway and Quarry Company. He said: We have already in my county the advantage of a railroad in every parish except one, and to complete our system I have introduced this Bill, with the full expectation that it would receive the sanction of this House and of Parliament. The Company is being formed to construct a single track from a point near the Grande Ligne Station to a point in the village of Napierville, about eleven miles, and it will connect with the Grand Trunk Railway. The railway is for the purpose of developing a very valuable marble quarry at Napierville, and to connect the village of Napierville with the town of St. John. The marble and the stone has been considered of such value that large quantities of it have already been sold and sent as far as Chicago, and it is very much used by the builders in Montreal. There is no opposition to the road as it will be a feeder to the Grand Trunk Railway. A new road has already been built from Victoria Bridge, and is completed as far as St. Martin's. Previous to its construction we were obliged to go around by way of Caughnawaga and cross a dangerous ferry. At present there is a continuous railway from Plattsburg by we which can reach Montreal *via* the Victoria Bridge. There is another branch from Brousseau to Dundee in the county of Huntingdon which shall connect with the nearest railroad to Fort Covington.

Hon. Mr. AIKINS — I have no objection whatever to offer in opposition to this Bill, inasmuch as it has been referred to the Standing Committee on Railways and Canals. However, there is one mysterious feature in it. It is the first time I have ever seen any bill to incorporate one man and allow him to select his co-directors.

Hon. Mr. BUREAU explained that it was the fault of the printer, who had omitted the names of Robert Cassels, Mederic Catudal, and William L. Hibbard. My hon. friend must know that a corporation cannot be bound with a less number than three persons.

The motion was agreed to.

PACIFIC RAILWAY BILL.

THE DEBATE CONTINUED.

The Order of the day having been called, for resuming the debate on the motion that the Canadian Pacific Railway Bill be now read a second time,

Hon. Mr. SCOTT said: When the House rose last evening, I was just entering upon that branch of the subject in which I proposed to discuss the provisions of the charter granted in 1873, for the reason that I then gave, and which I will shortly repeat, inasmuch as it is the only charter up to the present proposed charter that a Canadian Government ever granted to any company for the construction of a railway to the Pacific Ocean, and the line to be owned by the company. Not that I, in any degree, desire to propose it as a standard for any future or for the present charter, but merely as showing what the Parliament in Canada in 1872 thought would be a wise and prudent charter to entrust to gentlemen who propose to build that great work, and what a body of Canadians, conversant with the nature of the work and the character of the country were willing to undertake the enterprize for, inasmuch as we have no other precedent at all to furnish, in some degree, a guide in the consideration of the proposed charter contained in the Bill now before Parliament. I shall endeavor to describe to the House, that the time and circumstances are greatly changed since 1872, and what might be wise or prudent or judicious in that year, might not be prudent, wise and judicious in 1881, with the accumulated experience of ten years. I will, however, draw attention shortly to the paragraphs in the Bill of 1872, and make comments on the corresponding clauses in the present charter. The first provision to which I shall draw the attention of the House, is the capital stock. In the charter granted in 1873 under the Act of 1872, the amount of capital actually subscribed and secured to the satisfaction of the Government of Canada, was $10,000,000. It is just double the amount proposed for the capital that the charter requires the Syndicate in the present contract to subscribe. But, with the view of making the Canadian Pacific Railway a thoroughly Canadian or British enterprise, the Parliament of Canada seems to have felt that it was necessary to surround it with very great precautions lest it might fall into the hands of foreign capitalists; and believing also under that contract that it was a tolerably good enterprise that would recompense those who embarked in it, we limited it to Canadians, and not only did that, but apportioned the stock in the following manner: Ontario, five-thirteenths (and Ontario did take up that much, and paid into the hands of the Government its proportion); to Quebec, four-thirteenths of the stock; and to Nova Scotia, New Brunswick, Manitoba and British Columbia, each one-thirteenth; so the stock was absolutely in the hands of Canadians for Canadians, and as a Canadian enterprise. But, in order effectually to restrict it in the future to being what it professes to be, we introduced a clause under which no assignment of stock could take place for the first six years, unless with the consent of the Governor in Council — unless the Government of this country agreeing, shareholders could not transfer their stock, although it was paid up stock — so anxious were we that the undertaking should remain in the hands of people of this country — people who, in point of honor or sense of propriety, would be amenable to the public opinion of this country. In the Syndicate contract, as hon. gentlemen are aware, the capital stock necessary to be subscribed, although they have authority under their charter to make it $25,000,000 — is limited to $5,000,000, half of the stock of the former contract, and of that stock only thirty per cent. need be paid up, when they are entitled to the possession of this charter, and practically become independent of the Government and Parliament of the Dominion. The charter does require that before a certain time, in 1882, they should pay up the balance of stock, but we have no controlling influence over that, inasmuch as, having paid up this thirty per cent. and secured their charter, we are not likely to make any further inquiry, provided they go on with their work. There is but one restriction in reference to the enterprise being under the control of British subjects: that a majority of the directors must be British subjects — a majority only. Now, hon. gentlemen are aware that there is nothing to prevent this enterprise passing within a very short time into the hands of foreign capitalists. There are in Canada to-day railways chartered by this House which are entirely owned and controlled by American capitalists, in the interests of American capitalists. I need only point to the Canada Southern, which has become essentially an American institution, owned and controlled in the City of New York absolutely. This Syndicate may, and no doubt will, if it is to their interest and advantage, pass this charter over to foreigners, and it is a very easy matter for them to comply with that single regulation of having a majority of Canadians on that Board by naming, as they often do in these corporations, persons to sit there and do the bidding of the shareholders. The gentlemen interested in this scheme are all men of reputation, personally known to most of us, and I have for them the highest respect, but they have entered into this matter, not from patriotic motives, not from any desire to relieve the Dominion of the burden of building this road, but they have gone into it as business men, as they had a right to do, for the purpose of making money out of it. I think I am quite within the bounds of truth and propriety when I make that statement. There is a provision requiring them to remain in the company for a year, nominally, but if within a short period these gentlemen wish to sell out, it is competent for them to do so. They are not men who would personally overlook the construction of the work, but would do it as the Government of Canada would — by proxy, by employing others and engaging contractors. It is not to be supposed that those gentlemen are going to be satisfied with contractors' profits; they look for larger returns. A contractor takes a contract with the expectation of making ten or twenty per cent. out of it. Many contractors are satisfied with far less profits, but these gentlemen enter into this undertaking with the expectation of making large sums of money, just as in other large ventures to which I need not draw the attention of the House, and they do not give any guarantee. If they did, I should feel that there was some additional security in this road being run and worked in a greater degree for the benefit of the country. As to the transfer of stock, those gentlemen whose names are contained in the charter are absolute masters of the situation. If any outsider desires to take stock, he cannot do so. He has not the right, as under the Act of 1872, to take stock. Stock-books are not to be opened now for Canadians to invest in the enterprise. If they get in, it is by the will and pleasure of the Syndicate only. Under the Allan contract, stock-books were opened throughout the country, and the stock was absolutely allotted in the charter. But these gentlemen whom we incorporate here are literally masters of the situation. They tie themselves up to a certain degree, inasmuch as they do not allow a foreign element to come in unless they choose. One of themselves cannot part with his stock unless by the will of the majority. Hon. gentlemen will see that the veto power lies with themselves. Under the Allan contract it remained with the Government. In this charter the members of the Syndicate can transfer stock as between each other, but, unless by permission of the board, outsiders cannot be admitted. That is a very extraordinary feature of this charter — one that is quite unusual. The usual practice in granting charters to companies to build great works is that the stock books shall be opened and the people shall have an opportunity, if they think the enterprise a good one, to put their money into it and share in the profits. In addition to that, there is a very singular feature that struck my mind in the second clause of the Act of Incorporation, which speaks of the capital stock. It is as follows :—

> "And such shares, or any part thereof, may be granted and issued as paid-up shares for value *bona fide* received by the Company, either in money at par or at such price and upon such conditions as the board of directors may fix."

Now, in my judgment, the board of directors being formed by those gentlemen who are named the corporators, may,if they desire to, sell such portions of that $25,000,000 stock that they are authorized to increase their capital to,at such prices as they see fit. This point has a material bearing on the contract. As I propose, before I close, to show, this company will not be required to raise a larger sum than $5,000,000. I think this peculiar element of the contract is one which should be noted, as they can, under such conditions as they see fit, fix and allot stock in such a way as they please, not in the ordinary way, but under the vote of the board of directors. By the Allan contract, the road was to be constructed under Government supervision, according to plans laid down by the Government. No such rule is to be observed here. It is quite true a standard has been fixed — the Union Pacific Railway — but fixed at a time when that road was not in a very good condition. I am not going to discuss that point; I do not think it is very important. The Syndicate will, no doubt, build this road properly. As far as my judgment goes, I am inclined to think the road, in their hands, so far as fitness for traffic is concerned, will always be in good condition. I think it is in their interest to build it in that way, and I do not propose to cavil at the question of standard. Now, the cash subsidy in the Allan contract, as we all know, was $30,000,000, and the land grant 50,000,000 acres. Just let us see how that compares with the terms of the present contract. We are asked to hand over to the company the railway, with the expensive portions of it built by the Government, at a cost to the country, as Mr. Fleming says, of $34,500,000, so that, practically, they begin at a point far in excess of the allotment of the Allan contract. We will already have expended on the portion of the road built by ourselves, $34,500,000, which is $4,500,000 in excess of the amount we proposed to give under the Allan contract. Then it may be said that the Allan syndicate were getting double the quantity of land, but it must be remembered they were going to build 2,700 miles of railway. The new Syndicate will only build 1,900 miles of road, and not the most difficult part of it. The Government of Canada proposes to build the section between Kamloops and Yale, at an estimated cost of $80,000 per mile—more than six times as much per mile as the cost of the prairie section west of Red River. So that for the purpose of contrast, as far as compensation is concerned, the amount given to the Syndicate under the new proposition is vastly in excess of what we proposed to give the Allan syndicate. But the lands are to be chosen in an entirely different way. Under the Allan contract, where the line passed through inferior lands they were obliged to take at all events to the depth of one mile along the track. The new Syndicate are not compelled to accept even the lands fronting on the railway if they do not consider them fit for settlement. They take the cream of the North-West. They have the right to take lands anywhere in the North-West Territory. It must be remembered that under the Allan contract they took their lands along the line east of Red River to wherever the provincial boundary was between Ontario and the Dominion, and if that is where the present Government have been maintaining it is, there would be a length of four hundred odd miles of line on which they would be obliged to take land. The contention of this Government is that the boundary is somewhere in the vicinity of Thunder Bay. Under the Allan contract the lands and the money, but more particularly the lands, were apportioned in proportion to the difficulty of construction and the cost of such portions. That was a very reasonable proposition. In building public works we do not — at least we ought not — to pay the parties for the easiest part first, leaving the more difficult for the last, and not gauging the difference between the more difficult and easy parts. A business man naturally, in paying on a contract, gauges the advances he makes on the amount of work done. That is not the principle which is the guiding one in the present proposal. We all know that the Syndicate proposes to build the prairie section first, and I think they are quite right in doing so, both in the interest of this country and in their own interest. They propose, if we can rely on the statements we hear, that they will build at the rate of three hundred miles a year. One hundred miles has already been completed. I do not know what progress has been made with the second hundred miles, but progress has been made with it, and I assume there will be no difficulty in completing the road to the foot of the Rocky Mountains in three years. What is the proportion of subsidy they get for this section? The lands on the central or prairie section of 900 miles are apportioned at the rate of 12,500 acres per mile, making 11,250,000 acres for that section. They are to build the eastern section, it is true, but they have ten years to do it in. They are not to be pushed on that part.

Hon. Sir ALEX. CAMPBELL — They are to make such rate of annual progress as will complete it in ten years.

Hon. Mr. SCOTT — They have only got to build a little more than ten miles a year. So long as they keep within the bond we are not likely to interfere with them. They get for the 650 miles of the eastern section, 9,615 acres per mile. Now, does it not strike hon. gentlemen as somewhat singular, to use a mild expression, that for building the easier portion they get nearly 3,000 acres per mile more than they receive for the more difficult section? That does not look to me like a business proposition at all. It seems to me that the terms which the hon. gentlemen inserted in the Allan contract were much more in harmony with common sense and sound judgment, that the work should be paid for in proportion as it progressed, taking into consideration the difficult as well as the easier parts. I think hon. gentlemen will probably be enlightened on that as I go further on. They will see that it was a very useful and important element to the Syndicate to have the largest possible acreage in the shortest possible time, because it is the chief element for the financial basis on which I assume they will construct this work.

Hon. Sir ALEX. CAMPBELL — My hon. friend, of course, sees that that they get more money on the eastern sections.

Hon. Mr. SCOTT — I am aware of that. If the money was in the same proportion, it would scarcely be a subject that one could at all justify; but I do not think, relatively, the proportion of money on the difficult section is equal to the money made on the prairie section. We have the evidence here of what the first hundred miles west of Red River cost. We have the evidence of the Chief Engineer, supported by Marcus Smith and the head of the Railway Department, that the cost per mile does not exceed $13,500, and in that there are items included which are not, in my judgment, fairly chargeable to the hundred miles. For instance, there is extra cost for working in water. It appears that this contract was intended to be rushed. It was done in an exceptionally wet time, and cost $30,000 extra in consequence, and $75,000 for draining the adjacent lands. If the Syndicate have any such draining on the line further out, I have no doubt it will be a fair tax on the land. Then, there is a charge of $25,000 for an engine house in Winnipeg, and $20,000, I think, for a freight-house. Then there is a charge for a passenger station in Winnipeg. Very properly a number of the Company's buildings are erected. They are important buildings costing a very considerable sum. They are not going to erect such structures every hundred miles as they go further west, so the cost of the first hundred miles is not, in my judgment, fairly charged when you put it at $13,500. Then, again, there is right of way, $10,000. It is not to be supposed that those gentlemen are going to pay for right of way when they get out on the prairie. Right of way will be furnished them, and such land as they require for ballast pits ; the whole country is subject to their wants in that respect. If those items were taken out the cost would be about $13,000 per mile. However, that is a slight digression. In reference to the navigable rivers I see no clause here requiring the Syndicate to submit to the Government plans for building bridges, as was required by the Allan contract. Unless there is some recent legislation to prevent it they may obstruct navigable streams in the North-West. We had a long discussion in this House on the Coteau Bridge. The Company were willing and able in that instance to build a good bridge over the St. Lawrence with a draw, but Parliament was not prepared to grant them the privilege. Perhaps the General Railway Act furnishes sufficient protection against the obstruction of navigable streams in the North-West.

Hon. Sir ALEX. CAMPBELL — It does.

Hon. Mr. SCOTT — I am glad to hear it. All the materials are to be imported free of duty ; there is no such privilege in the Allan contract, nor were there any monopoly clauses. The Allan Company were to build this line and take their chances for the future as to the charters which might hereafter be granted. No doubt, in giving such large subsidies as this Company is to receive, even if the monopoly clauses were not there, others could not hope to compete with them, and, therefore, these clauses are scarcely necessary. The Syndicate is practically master of the situation. No competition can interfere with it. While on this subject I am reminded that my hon. friend suggested there was no monopoly on the north side; the whole country was open for people to build as many railways as they please. Does my hon. friend forget that this railway is a sort of cordon across that country? They cannot get to the United States frontier or to the waters of Lake Superior without crossing it. Therefore, any line on the north is just as much dependent on the Canadian Pacific Railway as are the branches on the south. They cannot get out of that country without going over the Canadian Pacific Railway line, unless the project of my hon. friend from Montreal can be carried out. The people of that country anxious to escape from the exactions which may in the future be imposed upon them may build a road to Hudson's Bay, and Moose Factory may become the emporium of part of the North-West. They may prefer to sail out through the snow and ice of Hudson's Bay and Straits in order to reach the free Atlantic, to depending upon this highly-subsidized monopoly. I do not suppose that in the next half century you will find people mad enough to put $17,000,000 (the cost of the line between Red River and Lake Superior) into a railway to get down to the St. Lawrence system of navigation.

Hon. Sir ALEX. CAMPBELL — What harm? They get rates settled by the Government.

Hon. Mr. SCOTT — Why not put that in the Bill?

Hon. Sir ALEX. CAMPBELL — We do propose to put it in a Bill.

Hon. Mr. SCOTT — The Government propose to do so now, their attention having been frequently drawn to this important point, and to the immense injury that has been inflicted on the people of the Western States by railway monopolies that traverse them. The Government feel bound to propose some change, but they do not define what it shall be. The fair way in considering this Bill would have been to include the clause in it, and name what rates this company shall be able to charge in the future, and we could then estimate what taxes the people settling in that country will, in time to come, have to pay. I regret very much that it is not here. It would, in my judgment, remove a very objectionable feature from this measure, and a good deal of my opposition to the proposition.

Hon. Sir ALEX. CAMPBELL — If it is in another bill is it not just the same?

Hon. Mr. SCOTT — Will the hon. gentleman tell me what the protection to the public is to be?

Hon. Sir ALEX. CAMPBELL — I mentioned it to the House yesterday.

Hon. Mr. SCOTT — The hon. gentleman said the Government would do what was fair.

Hon. Sir ALEX. CAMPBELL — My hon. friend perhaps did not hear me. What I said was that in the new Bill a clause would be introduced to define the meaning of the word "capital."

Hon. Mr. SCOTT — Does that meet the objection?

Hon. Sir ALEX. CAMPBELL — It does.

Hon. Mr. SCOTT — I do not wish to appear to contradict the hon. gentleman, but, in my opinion, it does not meet the difficulty, unless you say that the amount of capital shall be considered entirely, irrespective of what the Government of Canada has contributed either in capital or lands.

Hon. Sir ALEX. CAMPBELL—That is what it will say.

Hon. Mr. SCOTT—I shall be exceedingly gratified if it is so.

Hon. Sir ALEX. CAMPBELL—Then you will support the Bill if it is so?

Hon. Mr. SCOTT — I was extremely anxious to see that grave difficulty removed, and, as I said before, its removal will render the measure less objectionable to me. One of the main objections to the Bill would have been removed certainly if the rates were fair and reasonable, and based on the amount of capital.

Hon Mr. Scott.

Hon. Sir ALEX. CAMPBELL—That will be made perfectly clear.

Hon. Mr. SCOTT — I am glad to hear my hon. friend say so. Of course there are many other details that possibly do not appear to be very important, but which are of considerable value to the Syndicate. The exemption ot the company's property from taxation was not in the Allan contract, and to my mind this exemption clause will be regarded as a grievance by the future settlers of the North-West. I do not suppose anyone can point to a railway that is entirely exempt from taxation of some kind, state or municipal.

Hon. Sir ALEX. CAMPBELL — There are some.

Hon. Mr. SCOTT — The exemption of the company's lands from taxation is a very grave objection. They will own some of these lands for thirty and probably forty or fifty years after this, and the influx of settlers into that country will increase the value of the company's lands. There is no capital account; the company pay no taxes until twenty years after the date of the patent.

Hon. Mr. AIKINS — The exemption is for twenty years after they are entitled to the lands.

Hon. Mr. SCOTT — They may not take up the lands for ten years after they are entitled to them.

Hon. Mr. AIKINS — It makes no difference; the exemption can only be for thirty years at the outside.

Hon. Mr. SCOTT — It is restricted to thirty years, but what I wish to say is that forty years hence the Syndicate will still own lands in that country on some of which there will be no taxation for the extreme limit of thirty years. Now, that is a long period, and great changes will have taken place in that country during that time. There are gentlemen here who have been large land owners in Ontario. Ask them if it would not have been very comfortable for them if they could have been allowed to hold them without taxes while they were increasing in value through the industry and taxes of their neighbors. The Canada Company have been holding lands for over fifty years and have been paying taxes upon them. The value of those lands has increased from year to year in a greater ratio than the expenses upon them. At the last meeting in London the refuse of their lands were sold at 75 shillings an acre. In the future, I have no doubt, the Syndicate will be quoting their lands at an amount considerably in excess of that.

Hon. Mr. AIKINS — That will be satisfactory to the Government because their lands will be equally valuable.

Hon. Mr. KAULBACH — The Company must sell their lands in order to get freight for their road.

Hon. Mr. SCOTT — That depends very much upon the freight they carry in and the freight they take out. They will simply gauge that with the increased value of their lands. They will sell the lands if they think they are going to get a higher profit out of the carrying of the products of them and of the supplies for the settlers, or hold them if it will be more profitable to do so. They will be governed entirely by what will pay them best. Now, I have gone through the Allan contract, and I have done so, as I said before, not with a view of establishing a standard of what I thought a fair and reasonable proposition, but as showing what the Parliament of 1872 thought was reasonable and proper. I think you will agree with me that if it was reasonable, proper and judicious then, this Syndicate contract is unreasonable, improper and exceedingly injudicious at the present moment, inasmuch as its terms are so grossly in excess and all its provisions so extreme in comparison with the Allan contract. I have not taken into account the difference in the cost of building the Allan road and the Syndicate road. We build the expensive portions of the Canadian Pacific Railway for the Syndicate, and the Pembina Branch and the Thunder Bay section will enable any company now to get materials into that country at a very much reduced rate on the sum that would have been required to get materials into that country ten years ago. I should probably astonish hon. gentlemen if I quoted the rates of freight ten or fifteen years ago. They were discussed in this House when an attempt was made to transport rails even so late as 1876 and 1877. The prices charged then were enormous, simply because there were so few facilities for transportation. The material for building railways has also cheapened most singularly. Railways can be built for 30 per cent. less to-day than they could have been ten years ago, steel appliances having been so largely improved. Take rails alone. We have often discussed in this Chamber the price of steel rails. In 1872-3 the Government of that day, just about the time of the Allan contract, purchased steel rails for the Intercolonial Railway at $80 per ton. We have the fact before us, in a return on our table, that steel rails are now delivered in Winnipeg at $39 per ton, less than one-half the price of them ten years ago. The rails for the entire line can therefore be purchased to-day for $10,000,000 less than in 1872-3. The question of freight would have been also a serious one, because the rates were then excessive. That argument applies also to bolts, nuts and fish plates, and all the rest of the iron used in the construction of the railway.

Hon. Mr. VIDAL—Did the Allan contract require steel rails?

Hon. Mr. SCOTT—I do not think it did.

Hon. Mr. VIDAL—Then how can you compare it with this?

Hon. Mr. SCOTT — I assume that if the Allan Syndicate were going to own that road they would have put steel rails on it. We know as a matter of fact that our railways here were not a success until iron was discarded and the tracks were laid with steel rails.

Hon. Mr. MILLER—They were not to work the road?

Hon. Mr. SCOTT—Oh, yes.

Hon. Sir ALEX. CAMPBELL—The Allan contract provided no security for working the road.

Hon. Mr. SCOTT—This contract provides only $5,000,000 security. If the Allan Syndicate had built the road I suppose they would have used it in some way or other. On some portions of it they might not have run trains with great regularity.

Hon. Sir ALEX. CAMPBELL — It is very pleasing to hear my hon. friend praise that contract when I contrast it with the abuse we received when we entered into it.

Hon. Mr. SCOTT — There was no abuse at the time the contract was given.

Hon. Sir ALEX. CAMPBELL — There was most severe criticism.

Hon. Mr. SCOTT — I have recently read the debate and was surprised at its milk and water character. The abuse arose after the Act of Parliament was passed, in the election which followed it. The Allan contract fell through. The Company asked the Government of the day for certain concessions which were not granted, and the contract was given up. Then came the next Act, to which in a few words I wish to draw the attention of the House—the Act of 1874. Under that Act it was proposed to build the road at $10,000 and 20,000 acres of land per mile, and four per cent. interest on a sum to be named by the tenderers. Under that contract the question of whether the building of the road was further to increase the taxation of the people of this country was the foundation; the existing rate of taxation was not to be increased, the line was to be first-class, with easy gradients, and to be built strictly under the supervision of the Government. Two-thirds of the lands were to remain in the hands of the Government, who were to have the sale of them, so that the country could not be locked up and settlement prevented. No contract was made. The time was not favorable. No proposition was made for the building of the road. I decline to accept as an illustration of the working of that Act the contract for building the Georgian Bay Branch. It could in no way form a fair basis for estimating what the Canadian Pacific Railway could have been built at under that Act. In the first place, it is hypothetical what would have been done, because nothing was done. The Foster contract, as we all know, was thrown up when $40,000 had been expended. The line was found to run through an impracticable country, and there were many reasons for discontinuing it. There was this important feature which entirely prevented it being quoted as an illustration: there were no lands in that section of the country to be enhanced in value by their proximity to the road.

Hon. Mr. AIKINS—The lands would be got in the North-West.

Hon. Mr. SCOTT — But they would not be got with the railway fronting on them. They would be got in a place where important improvements could be made to reach them. Before I sit down I will show what the Government of which the hon. gentleman was a member entertained as to the increased value of lands by building a railway. Under that Act of Parliament the Government was empowered to build the Pacific Railway as a public work, and the feeling in this country was that the Government ought, at all events, to make some show of progress in the work of construction. With that view, the Government gave out as early as practicable, contracts for building the most important sections — those connecting the waters of Lake Superior with Red River and the Pembina Branch. These were the sections to which the Government first turned its attention. Under that Act contracts were given out, the works were entered upon, and a certain amount of progress was made at the time of the change of Government. At that time — in 1878—or about that time the Pembina Branch had been opened up. It had not been built earlier, because there was no railway connection with the United States. In the earlier years of the Mackenzie Administration a correspondence was begun with the gentlemen owning the St. Paul and Pacific Railway, to induce them to continue their line to the boundary, with the assurance that the Government of Canada would construct the Pembina Branch, in order to give the people of Manitoba an all rail connection with the world; but so little faith had the St. Paul & Pacific Railway Company, during that period of depression, in extending their road that they could not be induced to make any progress until 1878. When the change of Administration came the new Government did not show any desire to repeal the Act of 1874. From their actions we draw the conclusion that they approved of it. They gave out additional contracts under that Act on the uncompleted section between Thunder Bay and Red River, that had been commenced by the previous Administration, and that work has since been pushed forward as rapidly as circumstances would permit. They also gave out four contracts in British Columbia which were subsequently consolidated under what is known as the Onderdonk contract — all under the Act of 1874, the only Act on the statute book which makes provision for the construction of the Pacific Railway. So things progressed until 1879, when the Government feeling that the time was fast approaching when the lands of the North-West were likely to be in public favor, it was said that the Canadian Pacific Railway ought to be built as a public work, that any benefit that could be derived from it should inure to the people of this country. Influenced by that principle the Government brought down resolutions to the House of Commons, and I believe that this is the first occasion on which those resolutions have been commented on in this Chamber. They did not, as far as my memory goes, bring those resolutions into the Senate ; they seemed to have been satisfied with the approval of the House of Commons that that policy should be adopted. The resolutions among other things provide as follows :—

"7. *Resolved*, That it is further expedient to provide :—(1.) That one hundred million acres of land and all the minerals they contain be appropriated for the purposes of constructing the Canadian Pacific Railway. (2.) That the land be vested in commissioners to be specially appointed, and that the Imperial Government be represented on the Commission. (3.) That all the ungranted land within twenty miles of the line of the Canadian Pacific Railway belonging to the Dominion be vested in such commission ; and that when the lands along the line of the Canadian Pacific Railway are not of fair average quality for settlement a corresponding quantity of lands of fair quality shall be appropriated in other parts of the country to the extent in all of 100,000,000 acres. (4.) That said Commissioners be authorized to sell from time to time any portions of such land at a price to be fixed by the Governor-in-Council, on their recommendation, at the rate of not less than $2 per acre ; and that they be required to invest the proceeds of such sales in Canadian Government securities, to be held exclusively for the purpose of defraying the cost of the construction of the Canadian Pacific Railway."

The Government, at that time at all events, seemed to be under the impression that these lands were worth not less than two dollars per acre.

"9. *Resolved*, that in the existing state of things it is desirable to combine the promotion of colonization with railway construction on the Canadian Pacific Railway west of Red River."

"10. *Resolved*, that the Government be authorized and directed to locate a portion of the Canadian Pacific Railway from the Red River westerly, running to the south of Lake Manitoba, with a branch to Winnipeg ; and if they deem it advisable to enter into a contract for expending a sum not exceeding $1,000,000 in constructing the said railway without previously submitting the contracts to Parliament."

"14. *Resolved*, that the Government be authorized and directed to make such further explorations as they may deem necessary for the said purpose, and so soon as they have finally selected and located the line, to enter into contracts for constructing a portion of the same, not exceeding 125 miles, without the further sanction of Parliament, so that the work of construction may, at latest, be commenced during the present season, and thereafter be vigorously prosecuted."

Under that proposition the Government of Canada undertook the work of construction as a Government work under the Act of 1874, to that extent at all events, approving of the policy of their predecessors. In introducing these resolutions as their official utterance, the Minister of Railways made the following observations :—

"Exception may be taken to the minimum price of two dollars an acre, but who is there who will not say, looking to the character of that land in the North-West, that the settler will prefer to give $2 an acre for land within twenty miles of a railway that will carry his produce to market, than have as a free gift land without railway facilities."

On that principle Mr. Foster's land would not have been worth much.

"We may, therefore, fairly utilize that great work in such a way as will thus promote the settlement of these lands. I may be told that the purchasers of this land will lock it up. They cannot afford to do that, sir. It is only by settlement that the purchaser can make the land more valuable ; and if they do lock it up they will only be contributing to build the railway and to give railway communication to the rest of the country still untouched."

Those observations will scarcely apply to our friends of the Syndicate. They can lock up their lands as long as they choose.

> " The House will see, sir, that we have not increased the amount since our former proposition. Then we proposed to give a company 50,000,000 acres in alternate blocks, the Government reserving the alternate blocks. Now, in the changed condition of things, we utilize the whole immediately, and propose to make it form a substantial basis for the building of the road, not quite covering the views of my friend from South Norfolk, but looking in the direction of making the land and the road the basis of credit upon which to obtain the money necessary for the purpose of accomplishing the construction of this great national highway, which alone can make the land of any value."

That, I think, is a very true principle, and very wisely said, and I only regret that the Government did not follow that up. I only regret that from causes which they certainly could not have controlled the immigration scheme of that year was not a success; but they need not have been so half-hearted about it. Circumstances that stimulate or stop immigration are largely beyond the control of the people. I need only remind hon. gentlemen when the late Government were taunted with having spent large sums of money in promoting immigration, and that immigration was falling off, that it also delined in the very attractive country to the south of us. It fell there also from 1874 to 1878, and in 1877 we had this extraordinary feature presented to us, that a larger number of people emigrated from the United States than went into it. But when the cloud lifted a change took place. The tide of immigration commenced to rise again in 1879, it was swelled to very much larger proportions in 1880, and I think I am within the mark when I say that last year the immigration into the United States was higher than that of any other year, except in 1872. Those were causes which were not controlled by the people of the United States. They arose from circumstances that it is now unnecessary for me to discuss — they are of a world-wide character. The people of Europe came to the United States, because they believed they would find on this side of the Atlantic a country where they could obtain a living on very much better terms than in the country they left behind them. The same observation applies to Canada. The immigration has, no doubt, begun and will continue, and I give the honorable gentleman at the head of that department credit for using judicious means to stimulate that immigration. I think it was a very laudable way of doing so, and after all if we look forward to being a great country, we must have the people to make it so. The times are now more favorable for bringing in immigration The people are more dissatisfied with the old world. Many of them suffered even, from want and famine in some parts of Europe of late years. They know from the vast quantities of breadstuffs and food supplies that are sent across the Atlantic that there is no fear on this continent, at all events for the next hundred years, of want or famine, and on that account the emigration to this country is likely to increase in the future ; therefore I say it is unfortunate that the Government thinking in 1879 that this is a good and wise proposition did not adhere to it. In my judgment it would have been the wisest and best mode of constructing the railway, and we should have had the benefit of it ourselves besides owning the road and owning the lands. Following up the policy set forth in the resolutions, and with the authority of the House of Commons, a few months afterwards a prospectus was issued defining the price at which those lands should be sold. The country was divided into belts, the Government believing that not only along the line of railway, but at a considerable distance on both sides of it the land would be increased in value by the existence of that railway, and the Department of the Interior, in conformity with the discussion which took place in Parliament, and in conformity with the principles advocated by the Minister of Railways when he introduced those resolutions, and obtained the assent of Parliament to them, issued a prospectus offering those lands at prices, I will now explain to the House by reading the regulations of 1879 :—

REGULATIONS *respecting the disposal of certain public lands for the purposes of the Canadian Pacific Railway.*

DEPARTMENT OF THE INTERIOR,
OTTAWA, 14th October, 1879.

" Public notice is hereby given that the following provisions, which shall be held to apply to the lands in the Province of Manitoba, and in the Territories to the west and north-west thereof, are substituted for the regulations dated the 9th of July last, governing the mode of disposing of the Public Lands, situate within 110 (one hundred and ten) miles on each side of the line of the Canadian Pacific Railway, which said regulations are hereby superseded:—

1. "Until further and final survey of the said railway has been made west of the Red River, and for the purposes of these provisions, the line of the said railway shall be assumed to be on the fourth base westerly, to the intersection of the said base by the line between ranges 21 and 22 west of the first principal meridian, and thence in a direct line to the confluence of the Shell River with the River Assiniboine.

2. "The country lying on each side of the line of railway shall be respectively divided into belts, as follows:—

"(1) A belt of five miles on either side of the railway, and immediately adjoining the same, to be called Belt A;

"(2) A belt of fifteen miles on either side of the railway, adjoining Belt A, to be called Belt B;

"(3) A belt of twenty miles on either side of the railway, adjoining Belt B, to be called Belt C;

"(4) A belt of twenty miles on either side of the railway, adjoining Belt C, to be called Belt D; and

"(5.) A belt of fifty miles on either side of the railway, adjoining belt D, to be called belt E.

3. "The even-numbered sections in each township throughout the several belts above described shall be open for entry as homesteads and pre-emption of 160 acres each respectively.

4. "The odd-numbered sections in each of such townships shall not be open to homestead or pre-emption, but shall be specially reserved and designated as railway lands.

5. "The railway lands within the several belts shall be sold at the following rates, viz:—In Belt A, $5 (five dollars) per acre; in Belt B, $4 (four dollars) per acre; in Belt C, $3 (three dollars) per acre; in Belt D, $2 (two dollars) per acre; in Belt E, $1 (one dollar) per acre; and the terms of sale of such lands shall be as follows, viz:—One-tenth in cash at the time of purchase; the balance in nine equal annual instalments, with interest at the rate of six per cent. per annum on the balance of purchase money from time to time remaining unpaid, to be paid with each instalment.

6. "The Pre-emption Lands within the several belts shall be sold for the prices and on the terms respectively as follows:—In the Belts A, B and C, at $2.50 (two dollars and fifty cents) per acre; in Belt D, at $2 (two dollars) per acre; and in Belt E, at $1 (one dollar) per acre, etc."

The price of the land in the first belt—that is the one next the railway—was to be five dollars an acre. This was the price that the Government thought the land would bring. They, no doubt, gauged that price from the rates given for lands situated alongside railways in the adjoining territory—I think a very fair basis and a very fair price. Gentlemen who are building other railways in Manitoba, having land for which they gave one dollar an acre, now consider five dollars to be too low. In the second belt the price was to be four dollars per acre. In the third belt the price was to be two dollars per acre, and in the last belt far away from the railway one dollar per acre. But the Syndicate do not go beyond the twenty-fourth mile to select their lands; they are only obliged to take it within a limit of twenty-four miles from the railway; therefore they would come within belts A and B, and part of C. The average value of the land that they would receive under this proposition would be therefore $3.18 per acre That is, at all events, the opinion that. the Government had in 1879 of their value, the opinion that they arrived at after giving the subject ample consideration; after discussing it in Parliament, and with all summer to reflect over the wisdom of the proposition and the prices that were attached to the lands in order to give two dollars per acre for the whole area of them. It would be supposed that the Government took a moderate view of this question. A government does not exact its pound of flesh; as government is willing, in selling, its lands to give them rather below than above their value. At all events this has been the practice with the old Government of Canada, and the Government, of Ontario. So matters stood up to last year. In the meantime the Government pushed on important sections of this work and gave out contracts for sections in British Columbia that the late Governnment had not undertaken. They took authority in advance from the House of Commons to let further contracts which the hon. Minister of Railways entered upon as expeditiously as circumstances would permit. Had the Government changed their mind last session?. Not at all. The policy of building the Pacific Railway as a Government work, had grown in favor; they were captivated with the idea that they were going to build it themselves, and it was to be no charge on the revenue of this country; the land would pay for it. I think they were right in that; the lands would recoup us for every dollar of it, and in my judgment, the Government, or any government could manage the lands, and derive a large profit out of them where the area is so considerable, and where the probability is that they will be taken up as rapidly as we all believe and hope, and have confidence they will be in the North-West. This land fund is not one that need entail any serious expense on the country, or reduce very seriously the volume of money that will flow from the sales. The hon. gentleman has stated that the expense of management was a grave matter, and he thought it an excellent proposition for the Government to be relieved of that burden by the Syndicate taking it upon themselves. If they sold the land and gave us the proceeds, I could see the force of that argument, but when they sell the lands and place the proceeds in their own pockets it is a different matter.

Hon. Sir ALEX. CAMPBELL — I was contrasting it with the proposition of 1874, by which the lands were to be sold at the expense and under the management of the Government, and the proceeds given to the Company.

Hon. Mr. SCOTT — As an illustration of what lands do foot up, I believe I am within the mark in saying that the arable lands of Ontario sold by the Crown are less than 25,000,000 acres — it has been so stated in the newspapers, and it is as yet uncontradicted. We have been selling lands for nearly one hundred years in Ontario, and it has been, in my recollection, a very important item of revenue in the Department of Crown Lands. Even at so late a date as when I was Commissioner of Crown Lands in 1872, I found that the amount we realized for Crown lands that year in Ontario was $480,000.

Hon. Mr. DeBOUCHERVILLE — Including the sales of timber limits?

Hon. Mr. SCOTT — No; there were no timber limits included in it. It was made up of Crown lands, $193,000; clergy lands, $127,000; common school lands, $80,000; grammar school lands, $12,000; mining lands, sixty odd thousand dollars—footing up nearly half a million of dollars in one year, and that after three-quarters of a century. In that year we sold of timber lands four hundred odd thousand dollars.

Hon. Mr. BOTSFORD — What were the expenses of selling them?

Hon. Mr. SCOTT — Those lands in Ontario were sold on long time. There were no land sales.

Hon. Mr. BOTSFORD — There must have been expenses of survey?

Hon. Mr. SCOTT — Those were expenses of a quarter of a century ago, and were not very important.

Hon. Mr. DeBOUCHERVILLE — There were arrears of $3,000,000 in Crown lands in Ontario.

Hon. Mr. SCOTT — I am simply quoting from the Crown Lands returns of Ontario to show how, after the lapse of nearly three-quarters of a century those lands were such an important element in the revenue of the Province. I simply quote it in confirmation of the observation I made some time ago that forty years after this Syndicate stock will be quoted in the markets of the world, and it will be announced that the Syndicate have still vast quantities of land in reserve, which will be quoted at a very high figure. The Canada Company secured their lands in 1832 or 1833, and they are still drawing their dividends on it, and will for some years to come, although all the choicest areas have been sold, and they have now only the refuse of it. But they got their lands at a ridiculously low price, just as the Syndicate are now getting our nds at a ridiculously low price.

Now, I come down to 1880, and to show the House that the opinions entertained by the Government in the early part of 1879, confirmed by their own regulations later, were still adhered to at that time, the Minister of Railways took great credit for the policy that was then being carried out. I would just read a few pertinent remarks made by the Minister in introducing his railway speech in another place. He adverts to Mr. Fleming, and says :—

> "When I remind the House that the land alone, according to the authority of the right hon. Minister of the Interior, upon the calculations which he believes to be sound, within the next ten years will give us $38,000,000 in hand, and $32,000,000 to receive on mortgages within the following ten years, or a total sum of $70,000,000, it will be seen that we incur no risk."

Now, after the mature reflection of twelve months after these resolutions are passed, the Minister is still of the opinion those lands will yield that very handsome revenue. As time passes, I think that opinion is confirmed. Certainly, the lands have a higher value now than they had in 1880, and a higher value in 1880 than in 1879, because things look much better in the North-West than they did even two years ago. He goes on :—

> "I have no hesitation in saying that the whole sentiment of the country has changed on this question. I am not at all ashamed to say that my own opinions have completely changed in relation to the character of this great work. I remember well that when the then First Minister brought in his Act in 1874, for the construction of this as a Government work, I felt that we were incurring too great a responsibility. I believed, at that time, it was an unsafe and unsound policy for the Government of this country to undertake the construction of this great national work from end to end as a Government work, and I did not hesitate to express my opinions as freely and forcibly as I could on the occasion of the passage of that measure. But the whole condition of Canada has changed since then."

It just confirms what I said yesterday. It confirms the illustration I gave to the House of the causes which led to these changes. He goes on :—

> "There is not an intelligent man in this country who does not look upon the prospect of the settlement and development of the North-West with entirely different feelings from those that were then entertained."

The Minister goes on to speak in the same glowing terms of the vast advantages of building this railway as a public work. Now, hon. gentlemen, at the time Parliament rose last year we were led to believe that the Government policy was still unchanged. In fact, they had more confidence in the wisdom and prudence of that policy then than they entertained the year before. They believed that the lands in the North-West were going to produce even more than was at first anticipated — that it was wise and prudent for the Government to continue building that road under the Act of 1874 — and authority was given to the ministers to carry it on as a public work; and so Parliament rose under that impression — that it was to be carried on as a public work, and in the interests of the people of this country. Well, what was the next step? We were astounded and surprised on hearing that the Government were making arrangements last summer, in England, for the building of the Pacific Railway under a new proposition — endeavoring to induce a syndicate to take up the work, and build it as a company work. It was discussed, of course, in the papers, and I am not going to advert to that, but a provisional contract was made. The terms of that provisional contract were kept entirely secret. The people were not informed until Parliament met what that proposition was, or in what way it was going to affect the country. Not until the 10th December last were we acquainted with the details of this contract. I do not hesitate to say it was with considerable surprise that the people of this country learned the terms of that agreement, so different from what they would have anticipated — so different from what they had a right to believe a prudent Government would have entered upon, considering the changed aspect of affairs alluded to by the Minister of Railways in the preceding session. We have this contract now before us, and I have endeavored, though feebly, to discuss some features of the propositions yesterday and to-day. I will now, in a very few remarks, call attention to another proposition that has been made since this one has been submitted to Parliament. We are informed that the proposal is only provisional — that the Government are free to accept it or not as they may be directed by the wisdom of Parliament. The Government do not intend to tie the hands of Parliament, and we are free to sanction or reject it. While this contract was under discussion, so great and excessive are thought to be its terms by the people of this country, that a new proposal has been made by another company — a company composed entirely of Canadians — who offered to do this work on terms considerably more beneficial to the people of Canada. I shall briefly draw attention to the points of difference between the two. In the first place, there is a difference of $3,000,000 in the money consideration — a very considerable item. In the appropriation of land there is also a difference of 3,000,000 acres. If we take the land at the figure fixed by the Government, I think the difference in these two items alone would be over $12,000,000 — the land being valued at the rate fixed by the regulations of the late Government, three dollars and some cents per acre; and in addition to this large item, the terms throughout the new contract, as compared with the old, are very much more in the interests of the people of Canada. They fairly apportion the building of the prairie section, as was provided under the Allan contract, taking the correct amount rateably for that; then, after, the more difficult sections. They also expressed their willingness to pay duty on any imports they might make. They ask for no monopoly of the railway, leaving it perfectly free to the Parliament of the Dominion and the legislatures of the provinces to charter any other or rival lines if they please. They ask for no exemptions in the way of taxes, and for no release from the ordinary land taxes. They also insert a provision which is, to my mind, an extremely important one, and one which I would like to see in this contract very much — that is, the right of the Government of this country, if they deem it wise, at some future time, to re-purchase this road. That proposal is in the new, and not in the old offer. While on that subject, I think it is a very grave blemish on the proposition before Parliament, that we are asked to give subsidies to such a large extent to a company, while we are to be debarred in the future from acquiring the property which has been made almost exclusively by our own money. I do not think you can point to any precedent for this in the legislation of the country. I can show, where railways have been aided largely by the Crown, an almost invariable practice has been, where there was any possibility of the road being assumed by the people, the Government had the right to purchase it at a fair valuation. The omission of that in this contract is a very serious blemish. We know, as a matter of fact, in many cases railways are now owned by Governments. We know there is a very wide-spread opinion in the United States that the great trunk lines ought to be owned by the Government — that the evil consequences of the monopolies that trunk lines have established have been so marked and distinct that it has created a belief in the minds of the people that the Government ought to own at least the trunk lines of the country. In this great work, which up, at all events to a recent period, even the present Government thought was one that ought to be owned and run by the Government, it does seem to me a very marked omission that this clause is not included in the contract. I take it from the observations made by members of this Government in another place, in introducing the resolutions to which I have referred, under which they propose to build this road, their intention was not to hand it over to a company. It would have been to my mind a very excellent scheme, which would have carried out the idea so many of us often dreamt of — of the people of this country owning and controlling an all rail route from ocean to ocean. We have it in the East in the Intercolonial Railway. I doubt if our friends of the Maritime Provinces would like to see that road handed over to a company. I know there has been a protest when any such proposition has been spoken of. If I chose to go on and read the opinions of people well entitled to be heard on this subject, I could show that it is their belief that the Pacific Railway — at least those sections now open and which will be completed in a couple of years — will be a paying concern. We know the Pembina Branch has paid a large percentage over and above the working expenses from the very first. The Thunder Bay section will only be run during the summer season, when boats are plying between the ports of Ontario and Thunder Bay, and that section will pay during the summer season, no doubt, from the first. Nobody doubts it, and I should like to ask the opinion of my hon. friends from Manitoba whether they agree with me that the prairie section, built with reasonable rapidity, will also pay? Those are all sections of the road that are cheaply run. We have ourselves built the road between Selkirk and Thunder Bay as a very superior line. The grades have been kept down very low. Going east, especially, they are no heavier than the grades on the Grand Trunk Railway. I have the statement of the Minister charged with that branch of the public service that he believes the one hundred miles to be opened next year would be a paying road, and I think he is quite right. I think when the section in British Columbia is finished, it will not be a paying road at first; but, not being a through railway, it will not have to be run at a high rate of speed, and will, therefore, probably earn its working expenses. Another feature in the new proposition is the allotment of stock. That is entirely different from the allotment as proposed in the Syndicate. It will be free for any one to take stock who wishes to enter his name on the stock book. The tolls are to be placed under the supervision of the Government. Then there are offers for the Parliament or Government, should they desire it, to suspend the building of the eastern section, and substitute for it, at a greatly reduced rate, the Sault Ste. Marie line, and that road could be utilized within the next three years. Now, I think this is a proposal which ought not to be lightly passed over — a proposition that would save the people of this country a sum of $10,000,000 or $12,000,000 directly, besides the immense savings in other ways, in exemptions from customs duties and taxation, and freedom from monopoly. Moreover, the new Syndicate actually paid up in bank $1,400,000, as an earnest that they were prepared to sign the contract with the Government on the basis of their proposition. Now, if we are not perpetrating a huge farce, if we are really seriously considering what is best to be done in the building of this railway, it does seem to me that we cannot ignore that proposition which has been submitted to us by gentlemen of whose capacity none of us can have the slightest doubt. We know many of these gentlemen individually, and they are men of very large means, who have made their money by their own industry. They are not great capitalists who made their money in stocks, but sound, substantial men. It is not proper for me to draw a comparison, but they are undoubtedly good for ten, fifteen, or twenty times the amount of the capital they propose to subscribe. I know several of them myself, and they rank among Canadian millionaires. One or two of them live in the vicinity of Ottawa, and I can at all events speak for them. They are prudent, cautious men, who would not have put up their money unless they were prepared to embark in the enterprise. At all events they give the best possible proof of it; they put up a million and a half of dollars, and they say "we will forfeit that if we decline to sign a contract based on the proposition we have submitted."

Hon. Mr. SMITH — Where did they put up the money?

Hon. Mr. SCOTT — They put it up in several banks of the country, and communicated the fact either to the Minister of Railways or the Minister of Finance. It was announced in another place that the money was forthcoming, and I am not aware that the ground was taken by the Government or their supporters that it was not there.

Hon. Mr. SMITH — Was it put into the hands of the Receiver-General?

Hon. Mr. SCOTT — It was put into the banks of this country, and the Government were notified by letter from those banks that they held that money as security that the gentlemen who deposited it were prepared to enter into a contract such as that contained in their proposal to the Government. I do not think my hon. friend will dare to cast any reflection on the honesty of the gentlemen who compose that Syndicate, or to say that they in any way attempted a sham on the people of this country. I think he knows some of those gentlemen personally, and he knows that they would scorn to lend themselves to any trick; at all events it is very easy to test their sincerity. It is not a point on which hon. gentlemen can escape or by which they can relieve themselves from the position they are in of voting away fifteen millions of the people's money by saying that these men are not in earnest. I have seen myself the published letters from the bank managers, stating that they held the money, and that it was a forfeit to the Government of Canada if these gentlemen failed to put up their security and sign a contract in the terms contained in their proposal to the ministry. These facts cannot be contradicted, and if this House feels that it is important to save twelve or fifteen millions of dollars to the people of Canada, we ought to hesitate to accept the proposition of the Government in view of this second tender. This House has hitherto very properly taken a warm interest in keeping the public expenditure within proper bounds. I know that in past years, when I sat on the other side of this Chamber, the Government, of which I was a member, was very keenly criticized when it was supposed that the public expenditure was not conducted with due regard to economy, and we had days and days of debate about some contract for the carriage — not for the articles themselves — of nuts and bolts, in which it was alleged that some few hundreds of dollars might have been saved to this country if some man, who had no appliances, in Montreal, had received the contract, and I think the House acted very properly in exercising a keen supervision over the expenditure of the public money. This House is independent of the political excitement of the hour; its members are not sent to the country for re-election if the Government is forced into a position it does not choose to take. The Senate has often assumed to itself, and has frequently declared, that it was truly the guardian of the interests of the people of this country. Now is the opportunity to prove the truth of that assumption; here is the opportunity for the Senate, if they please to exercise their functions, to save to the country an enormous sum of money by accepting the offer of the second Syndicate. My hon. friend (Sir Alex. Campbell) smiles. I deny that he, or any hon. gentleman, can rise in his place and say that that proposition is a sham or a fraud. He knows that the gentlemen who are connected with that offer would not lend themselves to a trick of that kind. It is very easily proved, however. Say to these gentlemen, "Put up your money, put it under our control, and we will award you the contract." Twenty-four hours would not roll over before the challenge would be accepted, and if they would not take it up, others would, and on very much better terms for the country than are offered by them. I believe that very much more favorable terms could be obtained if it were thrown open to public competition. As the Minister himself says, the whole condition of things is altered. It is in the interest of the people of Canada that they should have that road for themselves — to own the lands and own the finest railway in the world. In fact, no such opportunity was afforded to the people of any country to own the finest highway in the world, a highway stretching from the Atlantic to the Pacific, owned and controlled by the Government, in which any deficits that may occur in the working of it in the east will be compensated for by the millions of acres of fertile lands in the west. Although our railways in the east are not profitable public works, none of us are forcing the Government to get rid of them. The tide is now in the west, and these rich prairie lands, now held at such comparatively low figures, would vastly increase in value were they opened up by an all rail route, owned and controlled by the Government, from the Atlantic to the Pacific. This House ought not to hesitate if they think it is in the best interests of the country to reject the proposition now before them. Did they not interfere with the policy of another Government on a former occasion? Did they not interfere with that policy though it had been ratified and approved by a member of the Imperial Government, who assumed to himself, as between the Dominion and the weaker province, the position of arbitrator? When the late Government accepted that arbitrament and brought in their measure for the construction of the Esquimalt and Nanaimo Branch, we know how this House dealt with it. They threw it out. I do not hesitate to say that the Senate acted properly in throwing it out. Governments sometimes make mistakes just as individuals make mistakes, as I believe this Government to-day is making a very grave mistake, but I believe governments ought to rise superior to the feelings of the hour and to stand corrected when they are shown that their policy is wrong. I have never hesitated, personally, in private life, or publicly, in my acts of administration, if I found that I had made a mistake, to take it back. In the accumulated light that we have gathered the last few years I believe that the Senate acted wisely, and in the interests of the people of this country when they rejected the Esquimalt and Nanaimo Bill, and, if it is still true to the interests of the people, it will exercise the same wise discrimination in regard to the Bill now before the House. It is here that we may carefully consider and reflect as to what is wisest and best. It is the largest and gravest measure ever submitted to the Parliament of Canada; a measure involving an amount equal to the whole debt of this country at the time of Confederation. If we should debate it for weeks and months, we could not say that we had given undue time for its consideration, so vast and so far reaching is it in its details and as a whole; and, before hon. gentlemen seek to protect themselves by alleging that the second Syndicate is a sham, they should test it in a sensible way by asking these gentlemen to put their money under the control of the Receiver General. Let them do it, and I undertake to say that they will not hesitate to come forward and give the Government the most substantial and satisfactory proof of the sincerity of their offer to build the Pacific Railway under the contract they have proposed. I agree with the Minister of Railways in in his utterances of last year, which I think were wise and statesmanlike, and where he acknowledged that the view he took in 1874 was not a correct one. But the gathered experience of four years had changed his mind, and, as he so forcibly put it, the whole condition of things had changed, the North-West had sprung up into a country of vast importance; our interests there were not tenfold but a hundredfold greater than the most visionary of us had ever dreamed of in such a limited time. None of us in 1874 or 1875, when we were asked to vote money to keep the people alive in that country after the grasshopper plague, and afterwards to supply them with seed, and to meet the great expense of the Mennonite and Icelandic settlements, ever anticipated that we should have any such return for it. I believe, however, that the embarrassments, clouds and difficulties that have hung over the settlement of that country during those fearful years have entirely passed away never to return again. I think, therefore, in the changed condition of things, that the gentlemen who are charged with the government of this country would have acted wisely and prudently had they continued of the opinion that they entertained at the time Parliament rose in 1880, and had not been induced, from some cause or other, to enter into a contract that, in my judgment, is rash, is hasty, and is not conceived in the best interests of the people of the Dominion.

At this point, Hon. Mr. SCOTT moved the adjournment of the debate.

The motion was agreed to.

The Senate adjourned at 6 p.m.

THE SENATE,

Monday, February 7th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

THE CANADIAN PACIFIC RAILWAY.

A CORRECTION.

Hon. Sir **ALEX. CAMPBELL** rose to correct a mis-statement he had made in moving the second reading of the Bill respecting the Canadian Pacific Railway.

[The corrections are made in the previous reports.]

ST. PETER'S CANAL CONTRACT.

MOTION.

Hon. Mr. **MILLER** moved :—

"That an humble Address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House all correspondence between the Government and any persons whomsoever, in reference to the unpaid liabilities for labor and materials of S. P. Tuck as contractor for the enlargement of St. Peter's Canal, Cape Breton; and all reports thereon by the Minister of Justice, and the Chief Engineer of the Department of Public Works, since the month of August, 1877."

He said: I wish to state briefly to the House the reasons that induce me to make this motion. It is known to hon. gentlemen that a very important work in the Island of Cape Breton, called the St. Peter's Canal, has, within the last few years, been enlarged at a considerable expense to the country. It will be in the recollection of the Senate that, for several years after Confederation, I persistently, in my place in this House, advocated to the best of my humble ability the enlargement of that important work in the interest of the people of Cape Breton. In 1873, while the Government of Sir John Macdonald was in power, the representatives of Cape Breton in both branches of Parliament were so far successful as to induce the Government to order a survey and prepare estimates for the enlargement of the St. Peter's Canal. Before, however, that work could be entered upon, the Government of that day were out of power, and the Administration of Mr. Mackenzie succeeded it in the autumn of 1873. A year or two afterwards the Government caused the enlargement of the canal to be undertaken, under a contract with a Mr. Tuck, of St. John, N.B. I shall not refer to the difficulties which occurred in connection with the enlargement of the canal after the Government of Mr. Mackenzie came into power, because, to a very large extent, the reductions in the dimensions of the canal which were contemplated or attempted shortly after those gentlemen came into power, were given up, or to a large extent given up, and the work was proceeded with, if not on as large a scale as contemplated by the Government of Sir John Macdonald, still upon a much larger scale than before existed, and in a way that gave satisfaction to the people of that portion of Nova Scotia. The first contract was entered into with Mr. Tuck in the autumn of 1875, and, subsequently, another contract — a modified contract — was entered into in the summer of 1876. Under the terms of these contracts, Mr. Tuck was required to deposit securities with the Government to the amount of $10,000, which he did, for the completion of the contract; and the Government also took power to retain ten per cent. of the amount earned, as a further security to the Government for the due performance of his work. In 1877, Mr. Tuck broke down, and the contract was, with the permission of the Government, assigned by him to a Mr. Kennedy, also of St. John, N.B. It was understood at the time that behind Mr. Tuck was a body of beneficiaries — gentlemen in St. John who were interested in the contract, and who had the good fortune to stand very well with the late Government, and possessed considerable influence with them. When Mr. Tuck broke down he had completed work to the amount of $77,000, and if the terms of the contract had been adhered to, there would be between seven and eight thousand dollars in the hands of the Government, under the ten per cent. arrangement. It was found, however, when the contract was taken off his hands, that instead of retaining that ten per cent. of the $77,000, only the small sum of $800 actually remained in the hands of the Government on the percentage in question, and $300 or $400 of that had to be expended in connection with taking over all the works from Mr. Tuck, and keeping the canal free from water during the time of the transition of the works to the sub-contractor, for Mr. Kennedy really became a sub-contractor under Mr. Tuck. Mr. Tuck broke down, as I have said, in carrying out his contract, and, with the sanction of the Government, he was permitted to assign his interest in the contract to Mr. Kennedy, who, it was well understood, was to occupy the same position in reference to the parties behind the screen — the beneficiaries interested in the contract — that Mr. Tuck himself was supposed to have occupied. When he broke down he was largely indebted to the laborers and others — a very poor class of people — chiefly for materials and labor that had been utilized in the construction of the St. Peter's Canal, and which the new contractor, Mr. Kennedy, of course, got the benefit of. A large number of poor people who were dependent on their daily labor for their daily bread were, when Mr. Tuck failed, left without any means of recovering their hardly earned wages. Mr. Tuck left the country, and all the advantages of this labor and materials of these poor people accrued to Mr. Kennedy, who took the contract, and has since kept it to nearly completion. At the time that Mr. Tuck broke down, claims were made upon the Government by these unfortunate people, who had been treated in this unfair way by Mr. Tuck, for payment of their respective demands out of any moneys that might be due to Mr. Tuck from the Government, and the Minister of Public Works then came to the conclusion to devote whatever sum should be in his hands of Mr. Tuck's money towards paying those claims; but it was found that, after the expenses of taking over the canal were deducted from the amount, only the sum of $400 remained to meet some $7,000 or $8,000 of liabilities of this description. What I find fault with is, in the first place, that the late Government did not strictly keep Mr. Tuck to the conditions of his contract; that they did not insist upon keeping the ten per cent., and, by applying the ten per cent. which should have remained in their hands, they would have had sufficient means to pay nearly all the claims of those defrauded laborers, many of whom have been ruined in consequence of not receiving their money from the contractor. I say it was unfortunate that behind Mr. Tuck there were men who possessed influence with the Government, and who compelled the Minister of Public Works to make advances out of this ten per cent. to Mr. Tuck from time to time, until, when he threw up the contract, he had got the whole amount, including the ten per cent. which he was entitled to for labor, as well as for materials upon the ground, for which he had got paid from the Government, but which he had not paid for himself, and which has never been paid for to this day. The whole difficulty was caused by the Minister of Public Works allowing this ten per cent. (which should have been kept back until the completion of the contract) to be paid over, contrary to the terms of the agreement, and, to some extent, in breach of faith with those who trusted Mr. Tuck. If the Government had held the ten per cent., which they were entitled to hold under the contract with Mr. Tuck, they would have been in a position — no matter whether any legal liability existed on the part of the Government to meet those claims or not — to dictate to Mr. Tuck the terms upon which the assignment could take place. They would have been in a position to dictate that justice should be done to those poor people, before consenting to the assignment of the contract. It is for allowing this check to go out of their hands that I find fault with the Government of that day, for, by allowing the ten per cent. to be paid over to Mr. Tuck and his associates, they lost the power to do justice to his creditors. They admitted, by their action in regard to the $400 that remained in their hands, that they had power to distribute it to the unpaid laborers. Mr. Tuck, however, was permitted to assign his contract to Mr. Kennedy, without any reference as to the condition of his affairs; what the nature of that assignment was, I do not exactly known, but I believe it was to their mutual benefit. The assignment is not on record or among the other papers in the Department. I have been given permission to search the records in connection with this matter, and have not been able to find any copy of the assignment among the papers. There is, however, an important report of the Chief Engineer, Mr. Perley, in connection with this public work, in which he says the understanding upon which the works were permitted to be assigned to Mr. Kennedy was that, on the completion of the contract, no profits were to be divided by any party until all the arrearages in connection with the claims for material and labor were paid to the persons who were entitled to receive them. I may state that I had some correspondence myself with Mr. Tuck, in 1877, on this matter, and he, in writing, admitted to me that the same arrangement existed. Mr. Perley, in a report dated 12th August, 1878, says:—

"I have, however, been informed by Mr. Kennedy that his arrangement with Mr. Tuck is that if, after the completion of the works on the Canal, and the settlement of all the liabilities incurred by him in connection therewith, there remains a balance of profit, such balance is to be expended in settling, as far as it may be found possible to do so, the indebtedness of

S. P. Tuck up to the time of the assignment of the contract."

There is, therefore, an admission by both parties interested in this contract — that is Mr. Tuck's admission to myself, and Mr. Kennedy's admission to the engineer — that the agreement under which Mr. Kennedy took the assignment was, that no profits were to be divided on this work until all claims against the first contractor by laborers and others, were paid. Now, I believe that it can be very easily shown that large profits will be divided in connection with this contract, and that if any losses have accrued to any person in connection with it, these losses have been outside of the work, and have no right to be connected with the contract. I believe that when the accounts are examined it will be shown that there have been large profits resulting from the contract, and under these admissions of Mr. Tuck and Mr. Kennedy, the only two persons legally interested, as far as we know, the understanding is that no profits will be divided until these liabilities are paid. It is true that the Minister of Justice has reported that the Government were under no legal liability to meet these claims, or to give any redress to the poor people who have been injured by this assignment, but we know that in other places, and on other contracts — especially in the Lachine canal contracts — provision was expressly made to meet cases of this kind, in order to prevent the laborers being defrauded by the contractors in public works. The late Government certainly had control over Mr. Tuck at the time he assigned the contract, for he could not assign it without their consent. What I wish at the present time is that this correspondence, detailing all these circumstances, may be laid upon the table of the House, in order that the parties interested may know, in the most public and authoritative manner, the conditions upon which the contract was assigned by Mr. Tuck to Mr. Kennedy, so that they may, either in a court of justice or by appeal to the Government, receive some consideration of their claims. I also wish to impress upon the Government the justice of withholding the payment of the ten per cent. drawback, which will be due upon the completion of the remainder of the contract, from Mr. Kennedy, until this investigation or settlement takes place. I think the Government will see the propriety and justice of not paying over that money until all those unfortunate individuals, some of whom were nearly ruined in consequence of the conduct of the contractors, have an opportunity of asserting their rights before the Government and before the courts, and, if possible, of recovering their just demands. I hope the remarks I have made will receive the attention of the leader of the Government, and that he will bring the matter before the notice of his colleagues. I intended to make more extended remarks on this subject, but my hon. friend before me (Mr. Scott) wishes to resume his speech, and the House does not desire that the important debate on the Pacific Railway should be interrupted by less important matters.

Hon. Mr. BOURINOT — If I had anticipated this motion, I could have stated a few other facts which are, perhaps, not within the knowledge of my hon. friend who has submitted it; because, in the section of Cape Breton from which I come, I know a very honest man, named Captain Archibald McDonald, who was engaged the whole summer of 1877, with his vessel of 100 tons and several of a crew, in working for this canal. He had conveyed from the quarry at Little Bras d'Or, near North Sydney, hundreds of tons of stone for the purpose of constructing this canal, and he has never received any portion of the money due him, although he has made application over and over again for it. As I have said, had I perceived sooner that this matter would have been brought up, I could have had all these facts before me. I have made two or three applications myself in this matter, but they were of no avail. I have nothing further to say, for the reasons given, on this question, except that I regret exceedingly that justice has not been done, and I trust that the Government will take it into consideration, and adopt means to have these poor men paid their honest due.

Hon. Mr. SCOTT — I am very sorry that my hon. friend behind me has used the medium of this motion to administer censure on the late Government, more particularly on the ex-Minister of Public

Works. The facts are these: applications have been frequently made to the Government which preceded the one that took office in 1873, for the enlargement of St. Peter's Canal, without any effect. I know it has been stated in this Chamber before, that orders had been given for the work, and that a survey had been ordered. I had searched on former occasions for that order, and I state now, emphatically, that that search was an exhaustive one, and that no Order in Council was ever passed by the late Government, in the direction suggested by my hon. friend, that is binding that Government to the enlargement of this canal. My hon. friend states that it was thought some, — I will not say fraud — but through some desire to injure these unfortunate workmen who had lost their wages through Mr. Tuck's default ——

Hon. Sir ALEX- CAMPBELL — I do not think the hon. gentleman said that.

Hon. Mr. MILLER — Not at all.

Hon. Mr. SCOTT — He stated distinctly that the late Government improperly allowed Mr. Tuck to get the ten per cent. drawback, which, in his judgment, ought to have been retained for the purpose of paying workmen. Now, I state, emphatically, that no government has ever recognized the principle that they were in any degree bound to pay the workmen on a contract; that that ten per cent. was never held back for any such purpose, and I state, moreover, that in no instance in any large contract after the work has been really undertaken, and after the contractor has shown to the Government that he is serious in carrying on the work, and that sufficient progress is made to warrant its completion, have they retained the whole of the percentage, but that it is paid out from time to time on appeal to the Government by the contractor. I am not speaking of one government, but of all governments. No government thinks of retaining such a drawback as ten per cent. until the completion of the whole work. Then, as to the assignment of the contract, it is certainly a startling doctrine to me that any contractor is to be deterred from assigning his contract on the assignee giving security for the due fulfilment of the work. Have we not that experience from day to day; have we not evidence of the fact of a very notable case, in which four contracts were recently let in British Columbia, and that these four contracts were absorbed into one contract, and we know very well that the parties were paid a very handsome sum for the assignment. It is a matter of notoriety that some three or four hundred thousand dollars changed hands in that transaction. We had no right to object, and I find no fault with the Government for having permitted it. The ten per cent. is never held by the government for the purpose my hon. friend contemplates — to pay the workmen on the contract. It is always undesirable, when contractors fail in paying their men, that the government should interpose. It is contrary to the practice that they lay down, and when it is done it is always done in a merciful spirit, if possible to shield the laborer. If the government interfere too frequently, however, it just leads to this consequence, that men will allow the contractors to go on from month to month without paying them, feeling that they can lean on the government. It is not a desirable thing to establish, that the laborer has an ulterior recourse on the government for his money. It would be utterly impossible to carry on public contracts if the laborer could assume that when the contractor would fail to pay his wages, the money could be stopped in the hands of the government.

Hon. Mr. MILLER — Did not you do it on the Lachine Canal?

Hon. Mr. SCOTT — I say that all governments have done it on occasions during a crisis, when they found that they had the money; but that they can do it with any degree of fairness, or as a matter of right, I deny. The contractor has a right to protest, and, strictly speaking, in the course of law, the government are bound to pay the contractor. There is a special stipulation in the contracts, not alone against the workmen, but against the sub-contractor. Governments invariably put in a clause in the contract by which they provide that the sub-contractor shall have no claim whatever on the government. He is bound to look to his principal; he is bound to look to the man with whom he has made the contract; otherwise it would be impossible to carry on great public works. No one regrets more than I do the circumstances connected with the St. Peter's Canal contract. I have just as humane a heart for the workmen as my hon. friend; but I would tell the hon. gentleman that if he was a member of a Government he would find it extremely difficult to carry out the principle which he advocates. Where a Government see their way to carrying out that principle they always do it, but in practice they invariably deny that they have any such right. A certain sum is voted by Parliament to carry out a public work, and the contractor or his assignee, on performing that work, is entitled to that money, and not the people who earn it under him, although we would like to see them fully paid for their labor, but we have no means of assisting them. The contractor invariably disputes the amount, and the laborers claim a great deal more than they are entitled to; and here you get into all sorts of complication the very instant you break through the rule. In this contract the country is getting the work for the sum stipulated. At the time the contract was let it was considered to be a hard bargain — that the work was being done for a very small sum, and we are bound to pay the assignee the amount of his contract. Even at the time the contract passed into the hands of the assignee, had the original ten per cent. been retained, no Government could have taken it from the assignee and handed it to the laborers. It would have been an arbitrary and tyrannical act; and much as we might wish to secure the people who did the work, still it must be conceded that no more humane man was ever at the head of the Public Works Department than Mr. Mackenzie, and no one had a deeper sympathy with the working classes or showed a keener anxiety that the laborer should receive his hire. To say that the Government were to blame or ought to be censured because they allowed Mr. Tuck to take up some of his ten per cent. is going too far. If my hon. friend was as conversant with this sort of thing as gentlemen who have been members of governments, he would find that the government never retains all the ten per cent. drawback. Many of these public works are undertaken at a contemplated profit of only five per cent., and if ten per cent. is retained, the contractor runs in debt all through his contract. It is very much to be regretted that my hon. friend should have taken this occasion to have a slap at the late Government. The Minister of Public Works is not here to speak for himself, and to my knowledge he has been exceedingly anxious to intervene between the contractor and the workmen, and has done so in very many cases where it was absolutely illegal, and brought pressure to bear on the contractor to pay his men.

Hon. Mr. MILLER — I do not propose to detain the House with many remarks, but some observations which have fallen from my hon. friend can hardly be allowed to go unanswered. He has stated to-day what he has asserted more than once in this House on other occasions, that there was nothing done by the Government of Sir John A. Macdonald in 1873 towards the enlargement of the St. Peter's Canal. I have made the assertion that there was, and I have repeatedly proved the correctness of my assertion in the only way in which it can be verified. In the summer of 1873 Mr. Langevin, then Minister of Public Works, directed Mr. Perley, who is at present, as he was then, an engineer in that Department, to go down to Cape Breton, make a survey, and report upon the cost of improving the St. Peter's Canal; and the survey and report were made by Mr. Perley in 1873, before the Government of Sir John Macdonald went out of office. I never asserted that there was an Order in Council passed by that Government for enlarging the St. Peter's Canal — that would have followed in good time had the change not come; but that, when they became convinced it was a matter of public necessity to enlarge the St. Peter's Canal they then promised the friends of that measure in this House and in the House of Commons to take the matter up. In fulfilment of that promise they sent Mr. Perley to Cape Breton in the summer of 1873, and it was on his survey and report that a sum was afterwards placed in the Estimates for the enlargement of the canal. As soon as the Government, of which my hon. friend (Mr. Scott) was a distinguished member, came into power, Mr. Mackenzie's first act was to cut down the dimensions of the canal and reduce the depth of water on the mitre-sill to such an extent as to almost render useless the expenditure contemplated on the work, and it was only after urgent representations, and a good deal of dissatisfaction expressed by the people of Cape Breton and Nova Scotia, that the Minister was induced to alter his plan, and go some way towards meeting the views of his predecessor in regard to the enlargement. He did not go so far as Mr. Perley's first report contemplated — to make a canal 54 feet wide — but he went within six or eight feet of it, and that was considered satisfactory at the time. These facts can easily be verified by the Minister of Public Works, who now holds that office, and by the Chief Engineer. With regard to the second point taken by my hon. friend. He says that no government ever laid down as a rule that they could distribute the ten per cent. retained from contractors for the payment of laborers or other claimants against contractors. I say that the Government of which my hon. friend was a member, whether they had a legal right to do so or not, decided to distribute the balance of $488 in their hands when work failed amongst the laborers. I hold in my hand a report of the Chief Engineer of the Public Works Department, dated May 13th, 1878, in which he says: — "The Minister directs that after verification of the accounts said to be due, the balance, amounting to $488.77, due by the Department to Mr. Tuck, be apportioned amongst the laborers mentioned in the list, *pro rata* to the amounts severally due them." Now, I say that here is the principle, which my hon. friend says was never laid down by any minister or government, clearly and emphatically enunciated by the late Minister of Public Works, who was the leader of the Government of which my hon. friend was a member. And if he could lay down that principle in regard to $488, could he not have laid it down in regard to the full ten per cent. on $77,000, if it had been, as it ought to have been, retained in the hands of the Government when the contractor broke down? If that money had been in the hands of the Minister of Public Works at that date, he would have been prepared to deal with the matter in that way. Mr. Tuck had broken down; he was unable to carry on his contract. He was asking favors from the Government — asking to be permitted to assign his contract after he had forfeited all right to do so, and the Government would have been enabled to deduct any amount necessary, in justice and equity, for the settlement of the unpaid claims for labor and materials employed in the construction of the canal. My hon. friend says: "Does it not happen every day that contractors assign their contracts?" That is so; but here was a case where a contractor had forfeited his contract and all claims under it, and the work was taken out of his hands. The Government, in the exercise of their legal rights, went into possession of the contract for breach of its conditions, turning Mr. Tuck out, and afterwards they permitted him to name the party to whom he wished to have his contract assigned. That assignment was made under terms advantageous, I suppose, to Mr. Tuck, and advantageous to Mr. Kennedy also. The Government had the power, and the duty devolved on them of seeing that in a transfer which, under all the circumstances, could not be made without their concurrence, the interest of every person who was likely to be defrauded in connection with the works was protected. My hon. friend said I insinuated that through some fraud or other of the Public Works Department this was allowed to be done. I did not insinuate anything of the kind, and I am sure my hon. friend would not intentionally misrepresent me. What I did say, and I repeat it, was that through a desire to favor those who had a beneficiary interest in the contract behind Mr. Tuck, and who were known to have been political friends of the hon. gentleman in St. John, N.B. — through a desire to favor these gentlemen, the ten per cent was paid up to these persons in St. John, the contract was allowed to be assigned in their interest, the contract was carried on afterwards by Mr. Kenneday, in their interest, as it had been by Mr. Tuck, and the whole arrangement was in the hands of the Government, and if they desired to do what was right to these poor people, they had ample power to do so. It is for this reason that I wish it to be seen by the country, and especially that portion interested in this question, where there is a great deal of deep seated feeling amongst these defrauded men that a gross wrong and injustice has some way or other been perpetrated upon them — I wish it to be understood in that part of the country where the first mistake (to use no harder term), which resulted in the whole of this subsequent injustice, was made by the action of the Ministry and Government in not holding that ten per cent., or a greater portion than they did, and in not seeing that, when Mr. Tuck failed in completing his contract, and had lost all right to assign it, unless through their favor, those equitable conditions were not attached to the assignment as they should have been. I say, therefore, that my hon. friend is not at all in a position to find fault with the remarks I have made on this occasion, because I certainly have not made as lengthy or strong remarks as the circumstances justify. Surely we are not to be told that because a minister is not in this House, or may not now be in power, we have no right to criticise his policy or actions while he was a member of the Government.

Hon. Mr. SCOTT — I did not say so.

Hon. Mr. MILLER—Then what does my hon. friend mean to say by condemning me for referring to the matter when the late Minister of Public Works was not here to defend himself? Has he not my hon. friend here to defend him — an able defender of his actions and policy on all occasions—of which I do not complain, but, on the contrary, am very glad. I say again that I hope the Government will see that whatever money may now be in their hands in connection with this public work is not paid over until a full investigation is had on the part of the Government as to the terms on which that contract was assigned by Mr. Tuck to Mr. Kennedy; as to the profits which have resulted from that contract, and the claims of the laborers to compensation out of these proceeds. I also wish those interested to know what their rights are in this matter, that they may be in a position, if they think proper, to go into a court of justice and do what may be necessary to vindicate them.

Hon. Mr. SCOTT—I am not going to enter into a controversy on the subject. The hon. gentleman is quite right when he says the Chief Engineer was sent down before the change of government. I do not dispute that, but I stated then, and I state now, that the mere calling for a survey or examination of work does not commit a government to putting a sum in the Estimates to cover the amount of that work. An amount was placed in the Estimates, and an Order in Council was passed by the Government of which I was a member. What I maintained was that the Government which preceded that Administration was not in any way committed to the construction of the work; it merely sent an engineer, who made a report, and that was all that was done.

Hon. Mr. READ — This debate has taken an irregular course, and the principle has been laid down by the ex-Secretary of State that the Government are obliged to accept transfers of contracts. Now, I think that they are not, and that the Government has the privilege of either accepting or rejecting a transfer. It is very fortunate for this country and the public exchequer that in a certain contract, given a few days before the late Government went out of office, the transfer of that contract vitiated it. Two years ago when I saw that $1,000,000 was to be appropriated for that useless piece of work, the Georgian Bay Branch, I took it upon myself to introduce a resolution condemning that expenditure. Fortunately for the country, there was a clause in that contract that once the contractors had assigned it, and asked to have the assignment accepted, the Government could cancel it, and so the country was relieved of the work.

Hon Sir ALEX. CAMPBELL — I do not propose to enter into any discussion of the subject whatever. It is very well in the hands of the hon. Senator from Richmond (Mr. Miller) and my hon. friend opposite. With reference to the motion made by the hon. Senator from Richmond, the Government willingly consent to the papers coming down, and I shall take care that the views which the hon. Senator has presented to the House are represented to the Minister of Railways and Canals, and have no doubt he will endeavor to do what may seem just, so far as may rest in his power, in reference to the individuals whose case is certainly a very hard one, as portrayed by the hon. member from Richmond.

The motion was agreed to.

CANADIAN PACIFIC RAILWAY BILL.

THE DEBATE CONTINUED.

Hon. Mr. SCOTT resumed his speech on the motion that the Canadian Pacific Railway Bill be read a second time. He said: Before proceeding to that portion of my remarks that I propose addressing to the House this evening, I desire to clear up a point to which attention was drawn on Friday last, that is in reference to the sincerity of the gentlemen who made this second offer. An hon. gentleman on the opposite side hinted across the House that it was not a *bona fide* tender, and that the money was not seriously put up. Now, the papers, copies of which I hold, were not brought down to this House, but they show the actual *bona fides* of the tender, and that the money was deposited in the banks of this country for the purpose of securing the Government in the $1,000,000 required to be deposited, in the event of their entering into the proposed contract. I hold in my hand copies of letters which were addressed to the Minister of Railways, and were by him produced, in the shape of letters and documents, and laid on the table in another place while this matter was under discussion there. I would just read to the House some of those letters showing the spirit of them, and showing how unfair it is, at all events, to insinuate that this offer of the new company was not a *bona fide* one — that they had not placed in the hands of the Government sufficient security to warrant them in dealing with the proposition. The first is a letter from the manager of the Canadian Bank of Commerce, dated Toronto, 19th January, 1881, and addressed to Sir Charles Tupper, informing him that $500,000 had been deposited by the members of the new Syndicate as security. The next is from the Manager of the Molson's Bank at London, Ontario, showing that the sum of $100,000 was held for the same purpose. The next is from the manager of the Federal Bank, notifying the Government that $100,000 had been deposited with them. The next is from the Bank of Ottawa, notifying the Government that $120,000 had been deposited there. Then another from the Bank of British North America, stating that half a million dollars had been deposited with them; and another from the Quebec Bank, showing that $100,000 had been deposited with them — in all $1,420,000 in six banks — in the event of the contract being assigned to the second company. Now, I think, considering the fact that this offer would have saved to the country some $15,000,000, or, taking the last estimate, $12,000,000 — that is taking the value placed on the land last year, and the year before — if the proposition was at all open to be entertained, the Government cannot shield themselves behind so flimsy an argument. These six banks are not likely to lend themselves to fraud. Three of them hold $720,000, and they are within a few hundred yards of the office of the Minister of Railways, and it would have been an extremely easy matter to have tested the truth or correctness of the statements contained in those letters; but, of course, the truth of them was never for a moment doubted. I would not insinuate that the Government would make the statement that the managers of those banks had committed a fraud in sending in these certificates; so far, therefore, as the security is concerned, I think that point is settled, and, therefore, we may fairly conclude that the Government were not open to have this road built by any other party but the Syndicate — that the calling of Parliament, and the adoption of this contract were regarded as a foregone conclusion, and it was not for this Legislature to consider whether it was a wise proposal, or whether a better one could have been obtained. Now, I do not think that that is exactly the part which business men should play in a transaction of this kind. If a man enters into a provisional agreement which is still subject to certain conditions which he may evade if he desires, he may, on consideration of the matter, if he thinks it to his interest, cancel the agreement. In the present case, I am not aware that the Syndicate would have even an equitable claim on this country, if their proposal had not been ratified by Parliament, but it was surely one of those cases where Parliament, acting under the inspiration of the Government, would have been quite willing to have given compensation, if a better or more reasonable proposition had been made, for any labor or trouble that the Syndicate might have been put to in consequence of their offer. I assume that their compensation would have been a comparatively small amount; they crossed and recrossed the Atlantic, I suppose, two or three times, and went to some small expense, but it would not have been among the hundreds of thousands of dollars. What is the justification that is offered for the Government depriving themselves of the control of this railway? One justification taken is, that we, at all events, know the limit that we have to pay; that we have in the future no uncertain sum to pay; that in the past the public credit of Canada and the public mind of Canada were so disturbed at the huge liabilities we were likely to incur in the construction of this gigantic work, and the feeling of doubt and uncertainty as to what amount Canada might ultimately have to pay in the construction of the Pacific Railway — rendered it advisable to have it constructed by a company. Acting on that feeling, there has been in the minds of a great many people in Canada rather a desire that a company should undertake it, and that we should fix the sum that the company should have; and that, having done so, we could rest satisfied that we, at all events, would not be liable for any larger or further sum. Now, that idea of the transaction might have been very legitimate and very reasonable if made ten years ago, when the Allan contract was under discussion; or it might have been a reasonable proposition after that; it would, at all events, have been excusable if made many years later, even down to 1876 or 1877, or even as late as 1878, inasmuch as there was very great uncertainty and very grave doubt as to what that line would cost. The hon. leader of the Government, in introducing this Bill to the House, quoted from estimates made in years gone by, placing the expenditure on one occasion at $120,000,000, on another at $116,000,000, and from that coming down to $90,000,000. It is quite true that up to 1878 we could not form a very correct estimate of what the line was going to cost; but, as year by year passed over, we have gathered a great deal of reliable knowledge. We have constructed, and have running, the Pembina Branch. We know what that has cost; we are constructing a very large portion of the road between Thunder Bay and Red River; the contracts are all out, and the entire line has to be completed by July, 1882, so that we know pretty well what the total cost is to be. It is put down in the neighborhood of $17,000,000. We know very well that the most expensive portion — from Yale to Kamloops — is under contract, and will cost $10,000,000.

Hon. Sir ALEX. CAMPBELL — $8,400,000.

Hon. Mr. SCOTT — I, of course, have got to fall back on the estimates made long after that work was given out — the estimates made by Mr. Fleming himself.

Hon. Sir ALEX. CAMPBELL — My hon. friend knows there have been changes since.

Hon. Mr. SCOTT — If there has been a change at all it has been by degrading the road ——

Hon. Sir ALEX. CAMPBELL — Oh, no!

Hon. Mr. SCOTT — The hon. gentleman says, No, no. I think, in discussing a matter of this sort, the House would do much better to take the report of the Engineer, confirmed by the Minister himself, and which has remained for eight months uncontradicted. Since this matter has been before Parliament the Government have felt themselves very awkwardly placed; they feel that in order to justify this contract they should diminish the value of the work they had to do, and exaggerate the work which the Syndicate undertakes to do.

Hon. Sir ALEX. CAMPBELL — I am sorry to interrupt my hon. friend, but I must inform him that, on the contrary, these changes on the Onderdonk contract took place before the inception of the Pacific Railway arrangement that we are now discussing.

Hon. Mr. SCOTT — I have in my hands, at all events, the last official estimate -- brought down to the month of April last — and my hon. friend is aware that in that estimate the sum is put down at $10,000,000. After all, it really makes very little difference in this discussion whether it is to be $8,000,000, or $10,000,000; neither he nor I can tell whether it is to be one sum or the other. I know, as a matter of fact, that estimates are not always, or very frequently, borne out by experience. This work is a very expensive one, and a great deal depends on the future; so that, in forecasting what is to be the ultimate expense of the work, neither the statement which the hon. gentleman makes now, nor the statement which I have taken, can be anything more than approximate. We have the authority of the Minister himself, repeated in two successive years, as to the cost of the prairie section; we have the authority of the Chief Engineer, Mr. Fleming, and of Mr. Marcus Smith, who states that he also has been over the prairie section under the direction of the Department, and who confirms the opinion that Mr. Fleming and the Minister express — that is, that the prairie section will be built for about $13,000 a mile. I hold in my hand the letter in which the Minister quotes Mr. Marcus Smith's opinion; I am quite aware that that was with the view of constructing a cheap railway. I suppose the Syndicate are not going to build a better work than the Government had in view, although I suppose it is presumed to be fit to carry traffic.

Hon. Sir ALEX. CAMPBELL — The work for which that estimate was made will be of a better character.

Hon. Mr. MILLER — The prairie section? Better, of course.

Hon. Mr. SCOTT — I must be permitted to question it. I do not think it is at all likely, if the Government of Canada had carried out that work, we should, in the end, have found it of a worse character than the Syndicate will build. At all events, that is what Mr. Smith says, quoted as a witness by the Minister. Now, I say that one of the grounds in past years that led to the conclusion in the minds of very many people, that a company should build the road, was that it would be better and wiser that we should know the extreme limit of what we should pay. But after having spent a large amount in surveying the North-West and in building portions of the work, we are in a position to know what the cost is likely to be, depending, of course, on the character of the work. That will give a latitude, I suppose, of $4,000,000 to $8,000,000. Having said that, we can form a very accurate estimate of what the work will cost. I am inclined to think the estimate given by Mr. Fleming, and acted upon by the Minister last year, is the true basis. Now, if that is so, if we know what we are going to expend, and that we need expend no more, the excuse that many gentlemen had for justifying this handing over of the line to the Syndicate has entirely passed away. The reason for handing it over to the Syndicate is gone absolutely. Another reason which has been advanced is that governments cannot successfully administer railways — that the work would be very much better in the hands of a public or private company — and that anything like a source of favoritism or corruption would then be removed at once. I do not mean to say that this Government is shielding itself under this excuse, but that is a reason that other people urge. I do not think that it should be accepted as a good reason for parting with this property. If we adopt that principle, we should part with our canals also. We hold them as Government property, and we have 800 or 900 miles of railway, also, which is not very profitable; yet we do not propose to part with it, but hold it for the benefit of that portion of the country which it traverses. Here I may say that the gentleman who is charged with the administration of that railway takes to himself the credit — probably with great justness — for having reduced the expense of running that road; at all events, there is no accusation of unfairness in the administration of that road; there is no charge that it is used as a political channel, or is managed in a more extravagant way than a private company would have managed it; on the contrary, I think the Government are capable of managing the railway quite as well as a private company. It pays its employés regularly and commands the services of the most competent men that the country can afford; so that, if the argument was a good one, that we should give out contracts for the construction of our canals and own them ourselves, on the same principle we should hold this railway and that to the North-West, because it is on the same basis as a canal. There are, or will be when this road is completed, just four avenues to that country: you can approach it from the Pacific by the Western Section of our Pacific Railway; you can approach it from the United States by the Pembina Branch; from Ontario by the Eastern Section, when it is completed, and from Thunder Bay by the Thunder Bay Branch, which is now in course of construction. But, hon. gentlemen are aware that these four lines are in the hands of one company; all absolutely held by the Syndicate. You cannot go into that country without going over their lines; you cannot get a pound of freight out of that country without carrying it upon their trains; so, to all intents and purposes, they have the channel as much as if those roads were canals; and for the next quarter of a century at least it will continue to be so. For the next twenty years they have the exclusive privilege; no person is likely to build a competing line through that country unless trade develops in an extraordinary manner, and, for all practical purposes, for a full quarter of a century they have absolutely the control of all the inlets and outlets of the North-West — that country of which we are all so proud, and from which we all hope so much in the future. At the time that we assisted the Grand Trunk Railway we had no other road. It was to run as a trunk line from the City of Toronto to the City of Montreal. We assisted that company, not to the same extent or in the same proportion to its mileage that we are assisting the Syndicate; but, even at that day, would the proposition have been tolerated for a moment that the Grand Trunk was to be a monopoly, and that no roads should be constructed to compete with it; that no lines should be constructed to the frontier which would carry trade away from it; that the only inlets and outlets to and from Canada should be Grand Trunk? Would that have been tolerated by the people of this country? I think not. Our policy has steadily been to afford as many outlets as possible to connect with the American lines of railway; wherever the two countries came together that became a focus for railways; the whole policy of the country has been to cultivate traffic with the United States. It was the policy of Canada under the Washington treaty; we agreed absolutely to enlarge our canals for the benefit of American commerce; they, on the other hand, agreed to use their influence with the several States to give us the use of their canals — and some of them we have actually been using. Our whole policy in the last quarter of a century has been in the direction of developing trade between the two countries. But how do we act in regard to the North-West? Over a distance of 1,000 miles, extending from the eastern slopes of the Rocky Mountains to Pembina, there is a country to which we say: "thus far shalt thou go, and no further." We say to the people of that country: "You must not approach the American frontier; it is quite true that the people of Minnesota, Dacotah, Montana, Oregon and Washington Territory want to deal with you, but you cannot deal with them: all your dealings must be over the Syndicate's line." Is not that monstrous; will not the people of that country in the future be indignant at the terms which have been imposed upon them? Talk about the Chinese wall; no barrier was ever constructed that was so high and broad and so absolutely impossible to scale, as the barrier we are about to construct on the long frontier extending 2,000 miles between the two countries. In drawing attention to the question of the Intercolonial Railway, we know that the expenditure for running expenses has, year by year, been going down. We do not propose to part with that property because it has been a tax upon the country; and yet we have not along the line of the Intercolonial any of the incidental advantages we have in the North-West. We have no fertile belt; no lands that we can settle, upon that road; no trade that we can cultivate and develop as we can in the North-West. Our country between the Red River and the Rocky Mountains is of immense value and vast extent. We have a direct purpose in running and owning a railway there. Those lands would be more valuable with the Government owning that railway and charging reasonable rates for freight than they will be when owned by the Syndicate. All governments are desirous, so far as their people are concerned, to deal as broadly and liberally as possible. We have had gentlemen in this Chamber, from time to time, calling the Government to account because they did not make the rates sufficiently favorable on the Intercolonial to draw traffic from the west. The reply is, that we make them as low as possible, the road is not paying, there is no margin for reducing rates, the people are practically getting the benefit. If you want to settle this winter port question, I see no way of settling it so well as retaining the Pacific Railway. What is the reason you cannot make Halifax the winter port of Canada, or make the Intercolonial Railway pay? Because the roads which connect with it charge such a high rate upon freights before they reach the Intercolonial that there is no margin left. We know that, coming out of Chicago, which is the *entrepot* of trade in the west, the Grand Trunk has to enter into pooling arrangements with other roads; they cannot themselves control the rates they would charge on traffic. It depends entirely upon what the ring who own the other railways will charge in New York. The Grand Trunk has to take its share; it is allotted a certain amount, and gets certain earnings, and is controlled entirely by outside influences. The Grand Trunk Railway was obliged to charge such a figure that there is no margin left for the Intercolonial Railway. I may remind the House, also, that the Grand Trunk is a road that is loaded down with an enormous capital account. My hon. friend stated, I think, that it cost $106,000, or $108,000 per mile, to build it. It is not to be wondered at that a railway with such an enormous capital account cannot carry freights at low rates. But this Pacific Railway, if it should be built and owned by the Government, would have no floating debt. We do not expect a large portion of the amount that we have invested in that road will be paid back to us. Therefore we could have afforded to carry freights on that road at such a figure that it would give the Intercolonial something, and would have held out some prospect, at all events, of the settling of this winter port question. Now, I will go to that branch of my subject in which I desire to show that this proposition that the Government are entering into with the Syndicate is a very unusual and unprecedented one; that there is no record whatever of anything of the kind in the past; that if the terms of this Bill were known to the world — if it were known that the Government were willing to make such advances to a company, an infinitely better proposition could have been obtained. I maintain that, under this charter and the terms of this contract, the Government of Canada still build this road. It is the credit of the Government of Canada that will build it. The Syndicate do not require any capital beyond the $5,000,000 they first subscribed, and I do not think it will be found in the future that they will ever have any more genuine capital in this work than that $5,000,000; at all events, it is wholly unnecessary. Now, if that is so (and hon. gentlemen will be able to form their own opinion on that after I have explained why I think so), then I think I am justified in saying that, had the Government announced that they proposed to give such liberal terms as this Bill contains, a very much better offer could have been obtained from capitalists. In the first place, the public were not informed that it was proposed to build this road by means of a company. At the time Parliament rose last year the Government had announced officially in the other Chamber, and it was accepted as the policy of the Government, and not cavilled at by the Opposition, that this road was to be built as a public work, and the Dominion was to reap all the advantages. This bargain with the Syndicate was entered into privately, and was kept secret until Parliament met. Under this Act there are three modes that the Company may adopt for building this road, or they may adopt parts of the whole of them. First they can take their cash subsidy as earned, and issue $25,000,000 of what are called land grant bonds, under section 17, as follows :—

> "The Company shall be authorized by their Act of incorporation to issue bonds, secured upon the land granted and to be granted to the Company, containing provisions for the use of such bonds in the acquisition of lands, and such other conditions as the Company shall see fit, such issue to be for $25,000,000. And should the Company make such issue of land grant bonds, then they shall deposit them in the hands of the Government; and the Government shall retain and hold one-fifth of such bonds as security for the due performance of the present contract."

Now, that is one proposition. Or they may, under section 20, take the cash subsidy and the lands absolutely as they are opened, the Government still retaining one fifth of the lands. The language of the clause is as follows : —

> "If the Company should not issue, such land grant bonds then the Government shall retain from out of each grant to be made from time to time, every fifth section of the lands hereby agreed to be granted, such lands to be so retained as security for the purposes, and for the length of time mentioned in section eighteen hereof."

The third is contained in sub-section D, as follows : —

> "Until the first day of January, 1882, the Company shall have the option, instead of issuing land grant bonds as hereinafter provided, of substituting the payment by the Government of the interest (or part of the interest) on bonds of the Company, mortgaging the railway and the lands to be granted by the Government, running over such term of years as may be approved by the Governor in Council in lieu of the cash subsidy hereby agreed to be granted to the Company or any part thereof; such payments of interest to be equivalent according to actuarial calculation to the corresponding cash payment, the Government allowing four per cent. interest on monies deposited with them; and the coupons representing the interest on such bonds shall be guaranteed by the Government to the extent of such equivalent. And the proceeds of the sale of such bonds to the extent of not more than $25,000,000 shall be deposited with the Government, and the balance of such proceeds shall be placed elsewhere by the Company, to the satisfaction, and under the exclusive control of the Government."

Hon. Mr. Scott.

Now, it must strike one in reading this clause that it is a very unusual thing, in contractors undertaking a large work from the Government, to put in a condition that the Government are to act as their bankers — that they are to be at liberty to deposit $25,000,000 with the Government, on which the Government has to pay four per cent. interest. It is just the reverse of what my hon. friend (Mr. Miller) and I were discussing, discussing where the Government thought fit to keep ten per cent. drawback. Instead of that, in this case, the Government are obliged to take $25,000,000 of the Syndicate money. That is a very startling proposition, and one that is unprecedented so far as I am aware.

Hon. Sir ALEX. CAMPBELL — It was the same in the case of the Canada Central.

Hon. Mr. SCOTT — That was a side arrangement.

Hon. Sir ALEX. CAMPBELL — Made by the Government of which my hon. friend was a member.

Hon. Mr. SCOTT — By the present Government. The late Government stated they were willing to do it. I am not cavilling at it.

Hon. Sir ALEX. CAMPBELL — But you stated it was never done.

Hon. Mr. SCOTT — Never done except in the instance my hon. friend has called my attention to.

Hon. Mr. SMITH— A very good plan.

Hon. Mr. SCOTT — I am not cavilling at the plan, when I say that, if intimation had been given to other capitalists, that the Government were going to adopt such a policy, and give such extraordinary facilities to a company to construct this road, a very much better offer would have been obtained. That is the ground I take — that it is an unusual thing, that it has only been done, at all events, in one other case, and that, practically, the Government is lending its own credit to the construction of the work. Let us go over and analyse these three modes the contractors have a right to choose from, and just see how it works out. I shall take them in the order I have read them, and I shall just see how they stand at the end of every year, assuming everything is done on the basis I have laid down, and on which we may fairly assume it will be done — that is, that the Syndicate are to construct this work within ten years, and make fair progress each year. It is admitted that they are to build the prairie section first. I suppose they will do that, as much because of the land grant they are to get as from the fact that they will be getting incidental advantages from having the road running through their own lands, and that the prairie section, at all events, will pay. Take the subsidy and land grant bonds: at the end of three years the company, assuming that they will build 900 miles, of which 100 miles is already built, and that they will do what they say in that particular, they will have received $9,000,000. Assuming — although I do not think it at all likely — that they will push the Eastern section in the same way, they will have received $3,600,000 — altogether, in three years, $12,600,000. Now, they will be entitled to land grant bonds for the prairie section to the amount of $11,250,000, and the eastern section $1,730,000 — in all $12,980,000. But the Government have the right to deduct one-fifth from that, to be retained as security. That would amount to $2,596,000, which, deducted from the $12,980,000, leaves $10,384,000 — that is, assuming the lands are put at only one dollar an acre. But does anybody suppose that the Syndicate will sacrifice those lands at one dollar an acre? We know that a local company there, who are about to construct 200 miles of railway, have purchased lands at one dollar an acre, and they hold them at ten dollars an acre. It is not to be supposed that the Syndicate are going to sell their lands at a dollar an acre. The Government valuation in 1879 was over three dollars an acre; but even at one dollar an acre the cash subsidy and the land grant would equal $22,984,000. Mr. Fleming's estimate of the cost of these works is $18,900,000, leaving a margin of $4,000,000 over, and this on the assumption that the lands are worth only a dollar an acre — a pretty good margin. But the Company have the Pembina Branch in running order, and they will have the Thunder Bay Branch when it is complete. I think I am right in assuming that both roads will pay from the time they are opened. The Thunder Bay section will only be kept open during the season of navigation; during the winter it will not be run, and nothing will be lost upon it. The Syndicate, therefore, cannot lose anything by that branch, and it is to be given to them as a complete road. We all know that the Pembina Branch is now paying. I might quote here the remarks of some of the Manitoba Senators, who spoke last year with regard to the Thunder Bay road, that it would be a paying line during the summer season. But the Company will have in addition to that, at the end of three years, the prairie section. We have always heard it announced that a road through that country will pay. I assume that it will not be run with great regularity, but only for the benefit of the people on the prairie, to meet their wants, and that, therefore, it will be managed in a cheap way, not having to make time, because it has no western connection. They will have, at all events, at the end of that time some 1,569 miles of railway, all of it more or less paying — at all events, paying on a good part of it — the most expensive portion of it they will have paid no capital upon, and, therefore, it cannot in any sense be regarded as a bill of expense to the Syndicate. Now, supposing they take the lands direct, and do not issue land grant bonds, they will at the end of three years have received $12,600,000 in cash and 10,380,000 acres of land, to be sold or used by them as they think proper. I will make no further allusions to the valuation, for hon. gentlemen have fixed the valuation of lands themselves from what they know of the present rate at which lands in that country are held. Those lands, it must be understood, will front on the railway, having railway accommodation. We know what they are held at in Minnesota. On the St. Paul and Minneapolis road, I think the average is about $5 an acre. The last time I examined Poor's book my impression was those were the figures. Now I come to the third proposition under clause *d*. Under that proposition, as hon. gentlemen know from having read the clause, they are entitled to take the whole of their subsidy — of their $25,000,000, as interest on bonds. In that way, I say, that the credit of Canada, practically, builds the road. We, at all events, build, ourselves, directly, the expensive portions. The most expensive is the Yale and Kamloops section; and from Yale to Port Moody we are bound to build within the next ten years. We are bound to build and finish within the next year and a half the Thunder Bay section, and we have already completed the Pembina Branch. My view of it is we are practically building the rest of the road, through the Syndicate. Under clause *d*, as I have said, they are entitled to take the whole of their subsidy as interest on bonds. I am not cavilling at it in any sense, but I am simply saying that if any body of capitalists had been made aware that the Government were prepared to associate themselves with the Syndicate in the construction of the work, infinitely better terms could have been obtained. Under this clause — and I have no doubt it is under it that this road will be built, inasmuch as it gives the largest basis of credit — the Company may, at the start, having announced that they will elect to proceed under clause *d* as a basis, issue $60,000,000 in bonds. It may be more, it may be less; it is just dependent on the terms that may be agreed upon between the Government and the Syndicate, but for the purpose of illustration I will fix it at that figure, because that is a figure at which it can be done. On that basis, I assume the Syndicate have $5,000,000 as capital, and that they go on and spend that amount the first year without calling on the Government, and their bonds will not bear interest until the year after. $5,000,000 is the figure I have taken, because under Mr. Fleming's estimate (and I am now making my calculation entirely on that) the amount they would have to expend is about $49,000,000 — say $50,000,000 for convenience of calculation and to illustrate the mode by which the Syndicate can build their railway. No doubt I shall be met by the argument that the Government have to pay four per cent. for money, and may as well pay it to the Syndicate as to Glynn, Mills and Baring. That is true, but I contend that if the world had known the policy of the Government, infinitely better terms could have been obtained than those which have been submitted for our consideration. Before the 1st of January, 1882, the Syndicate may say to the Canadian Government, "We will apply our $25,000,000 in the shape of interest on bonds, as we have a right to do under clause *d*." They go on and spend $5,000,000 the first year. The Government, having control of it, are, no doubt, perfectly safe as far as that goes. The first year, building on the prairie section, the Syndicate will have earned from the Government $3,000,000, which they will be entitled to leave with the Government at four per cent. interest. For the second year's work they will have issued bonds to the extent of $5,000,000. The Government are right in allowing this because, ratably, a larger amount has been earned in lands and money. The Government, at the end of the second year, will have to pay interest at four per cent. on that $5,000,000, amounting to $200,000. In the meantime the interest on the $3,000,000 the Syndicate earned the first year will have been accumulating in the hands of the Government to the extent of $320,000. The next year, the Syndicate will have earned another $5,000,000, for which amount they will issue bonds. And here I may say a bond secured on 25,000,000 acres of land and 2,700 miles of railway, and with the interest payable by the Government of Canada, is a bond that will be taken at par. I do not know a better security. The interest at four per cent. upon $10,000,000 will be $400,000. But in the meantime the Syndicate will have earned another $3,000,000, entitling them to $240,000 interest. The difference between the interest credited to the Syndicate and the interest the Government have to pay is $160,000. That is all that the Government could charge the second year against the $25,000,000 subsidy. The next year an additional $5,000,000 will have been issued on which the Government have to pay $600,000 interest. I have again fixed the amount earned by the Syndicate at $3,000,000, and the interest $360,000. The difference between the $600,000 and the $360,000 is $240,000. The fourth year I assume that the Syndicate will only earn $2,500,000, because after the prairie section is built they cannot earn so rapidly, the work being more expensive. The fourth year the interest on $20,000,000 bonds would be $800,000. The interest on the $2,500,000 deposited with the Government, added to the interest on the other deposits, would amount to $460,000, leaving a difference of $340,000. The fifth year, again assuming that they draw $5,000,000, the interest on the bonds would be $1,000,000; the earnings of the Syndicate would be $2,500,000, and the interest on their earnings $560,000; and the difference between the interest credited and the interest charged to the Syndicate would be $440,000. I will not detain the House by entering any further into details, but, when we come down to the tenth, which is the last year, nearly $50,000,000 will have been drawn, the interest the Government will have been paying on the bonds will be $2,000,000. The earnings of the Syndicate in the last year will be comparatively small — only $1,000,000. The interest on their earnings will have accumulated to $1,000,000, leaving a difference of $1,000,000 in the interest. There will still be a balance in the hands of the Government, on interest account, of $1,900,000. I am merely illustrating that if other companies had been aware that the Government of Canada were going to act as bankers for a Syndicate who could use the credit of the country to pay the interest on the bonds, infinitely better terms could have been made. I am not arguing against it other than in that respect. In a large undertaking it may probably be the best course for the Government — I am sure it is best for the Syndicate — that this arrangement should be made, as the Government are saved the trouble and expense of borrowing in a foreign market. Hon. gentlemen will see that some such policy was in contemplation, otherwise why should we see introduced in this Bill a proposition that the proceeds of the sale of the bonds to the extent of not more than $25,000,000 shall be deposited with the Government, and the balance of such proceeds "shall be placed elsewhere by the Company to the satisfaction and under the exclusive control of the Government; failing which last condition the bonds in excess of those sold shall remain in the hands of the Government." The Government have to pay interest on all monies at the credit of the Syndicate. In my calculation I have not assumed any such extreme limit at all. I assume that the Syndicate, in order to give value to their bonds, will simply draw them at the rate of five million dollars a year. They could draw them in very much larger sums, but if the bonds were sold, the proceeds then would have to go into the hands of the Government in order that the Government might protect themselves, and as a security that the Syndicate would go on with the work. At the end of ten years, if Mr. Fleming's basis is correct, and it cannot be very far wrong, the Syndicate will have built the road, and they will still have ten millions of those bonds unsold. They would then have expended on the road as the proceeds of the bonds sold $50,000,000, and, of the balance, $5,000,000 would remain with the Government bearing four per cent. for ten years longer. I did hear it stated that it would be rather a convenience to the Government to have the use of this money, as it will save them from having to borrow elsewhere. That may be all true, but if it were known in advance that the Government proposed making so favorable an arrangement for a Syndicate, much better terms could have been obtained. Surely hon. gentlemen believe that before twenty have gone over, if that country is worth anything like what it is represented to be, the amount expended by the Syndicate will be recouped to them out of the lands alone, to say nothing of the railway; and does anyone pretend to deny that in twenty years the Pacific Railway will not be a paying institution? I do not believe that anyone is disposed to think so little of our country as to suppose that that road will not in time be a paying institution. It may not pay a very large dividend, but it will in twenty years certainly be paying something. The road will have no capital account to carry, unless the Syndicate choose to put another mortgage on it in ten years after the railway is open, as they will have nothing to do with the interest on those bonds. All they do is sell the lands, put the proceeds into a sinking fund, and the

Government have to act as trustees between the Company and the holders of those bonds. The sinking fund accumulates there, and long before the twenty years will have expired, those bonds, or, at least, a considerable portion of them, will have been paid off. Now, as to the three propositions, the choice of which rests with the Syndicate, I am inclined to think that they will take the last one. I think it is the most profitable to themselves; it is the one by which they would make the largest amount of money, and involves the least outlay of capital in its inception, inasmuch as five millions of dollars will have been amply sufficient. Therefore, I think it entirely removes the argument that has been used in another place, and outside of Parliament, that we are going to have a considerable amount of foreign capital introduced into the country by this arrangement with the Syndicate. My hon. friend opposite indulged in flowery utterances as to the stimulus this foreign money would give to the trade and commerce of Canada while the railway was being constructed. I cannot see it in that light. The Canada Central will be built as far as Callendar Station next summer; the extension is being pushed westward with great rapidity. Over a thousand men have been at work for months past above Pembroke, and we have not felt the benefit of that expenditure here. Those men will simply move on westward according as the road is built, and the trade and manufactures of Canada will not be very much benefited by the money expended during its construction. No doubt, locally, there will be some advantage from it, but I question very much whether Canada will be in any way astonished or amazed or delighted with the vast volume of money that is to roll into the country owing to the expenditure on the Pacific Railway. I do not see how it is going to stimulate the trade of the country or the making of steel rails down in Nova Scotia. The Syndicate have taken over a very considerable amount of rails that the Government have transferred to them at the low price at which they were purchased two years ago, when the market was in a depressed condition. They will buy their rails in the cheapest market, and, therefore, I do not feel that we are going to have the immense benefit that has been described as flowing from the construction of this work, or that any considerable volume of foreign capital is going to flow into the country through this Syndicate; I do not believe. On the contrary, all the capital that is to build that road is in Canada just now, except what the Government have borrowed on the credit of the country. They have borrowed considerably already on the basis of the lands of the railway. I think it is very much to be regretted that the policy announced by the Government in 1880 had not been adhered to, and in ten years we would have had the unprecedented spectacle of a Government owning and controlling an all rail route from the Atlantic to the Pacific. Take what, in my judgment, will be the financial position of the Syndicate at the time that this road is finished. Assume that they select one or other of the first propositions — I base my calculations entirely upon the only reliable estimate within my reach, that is, Mr. Fleming's — they will expend $50,000,000, and they will have received in cash $25,000,000, leaving an outlay at the end of ten years on the simple proposition of the Government, giving the land and money as they earn it, of $25,000,000. They will have 25,000,000 acres of land, which in ten years can be safely put down at $75,000,000, and 2,700 miles of railway which will have cost $84,000,000 — a total of $159,000,000, as against the $25,000,000 that they will have expended.

Hon. Mr. DICKEY — That is a pretty good profit.

Hon. Mr. SCOTT — They say that figures will prove almost anything, but I think that these figures cannot be questioned. If they take the proposition under clause D, then their financial position at the end of the year will be as follows:—They will have expended on the road in ten years $50,000,000. Of these bonds they will still have $10,000,000 left, and $5,000,000 bearing four per cent. will be placed as security with the Government that the road will be run for ten years. The interest on the bonds for the remaining ten years will be paid by the Government as the coupons mature.

They will own 2,700 miles of an unencumbered railway, the 25,000,000 of acres will be in course of sale, the proceeds being deposited with the Government as a sinking fund to meet the payment of the bonds at their maturity. They will have no interest to pay during the whole period of twenty years, as the Government meet the interest on the bonds semi-annually. Now I take Canada's position at the end of ten years — assuming that the last proposition to which I have adverted has been adopted and the Syndicate claims to adopt the proposition set forth in section D. Under that we will have expended on the railway in the next ten years, if Mr. Fleming's figures are correct, $34,500,000 — that is, on the Pembina Branch, the Thunder Bay Branch, the Yale and Kamloops Branch, and the Yale and Port Moody Branch, and I include, of course, in that the $3,119,000 expended in the surveys, for the Syndicate gets the benefit of all that work, and it has always been charged to the Pacific Railway account. We will have paid in interest $11,000,000. This interest account is composed of the four per cent. allowed by the Government to the Syndicate on their earnings deposited with the Government and the interest on the lands released up to that time. We pay on the earnings that they do not draw, or rather we credit them with as against the interest we pay on the issue of the bonds, and the two together amount to $11,000,000 at the end of ten years. Therefore, we shall have paid $45,500,000 on construction and interest. I assume that this is fairly chargeable to capital account, and as we do not part company with the Syndicate for ten years longer, I charge them with the interest on the $45,500,000 for the remaining ten years, $18,200,000, which will bring the total up to $63,700,000. Then add to that the interest on the bonds for the remaining ten years, which will amount to the sum of $19,980,000, making the total of $83,680,000, which is the sum Canada will have paid at the end of twenty years for the Pacific Railway. Then we shall have given away 25,000,000 of acres of land, which long before that will be worth $75,000,000 making the total of the railway and lands to the Syndicate within twenty years $158,680,000. Now, supposing we build the road ourselves, which in my judgment is the true plan to adopt, it would stand as follows:—of course taking the same figures, Mr. Fleming's estimate, as they will work both ways. We have expended, or are expending $34,500,000 for the roads under construction; for the 900 miles of prairie section $11,700,000. I assume that we would get the Sault Ste. Marie Branch built for a subsidy of $3,000,000. That would be a total of $49,200,000. Then if we finish the end of the prairie section, making the connection with Kamloops, we should have spent $17,500,000, which is Mr. Fleming's estimate for that portion. Our friends from British Columbia could then reach the older provinces of Canada by the Pacific Railway, and would only continue to utilize the American railways in the winter season from Pembina to Sault Ste. Marie.

Hon. Mr. MACDONALD — Where is the road to Sault Ste. Marie?

Hon. Mr. SCOTT — By a line now being built from Marquette to St. Ignace which runs within thirty-five miles of the Sault, where it curves down to the Straits of Mackinaw, and will be finished by next September. A line is now also under construction, from Keewena Bay to Duluth, so that even under the most favorable circumstances before we could get our line to the Sault, the American line from Duluth to the Straits of Mackinaw will be completed. If at the end of ten years we then thought it well to build that portion of the Pacific Railway north of Lake Superior to accommodate the increasing trade of the North-West, we could then go on with that section of it, and in sixteen years from now we could own and control the all rail route across the continent, besides the Sault Ste. Marie Branch, and it would not have cost us more than $86,700,000. We would also retain our 25,000,000 acres of land which in the meantime we might have been selling, and which would in some degree recoup to us the outlay in the construction of the road. As I propose to conclude my remarks this afternoon, I will have to leave unsaid much that I intended to say, but I wish to call attention to the dropping out of the contract of the building of the line to the Sault, which I think is exceedingly unfortunate. It is very much to be regretted that after having the matured opinions of both political parties in Parliament as to the expediency of constructing the Sault Branch, it cannot now be done because of the Syndicate. It is not necessary for me to describe the benefits that would flow from the opening up of that railway; they have already been portrayed by hon. gentlemen on both sides of the House. They were brought to the notice of this Chamber last year by the hon. gentleman from Victoria (Mr. Ryan), and in previous years by the hon. gentlemen from Amherst and Halifax, and on both sides there was a universal consensus of opinion. One and all pointed out the immense advantages that would flow from the construction of the road to Sault Ste Marie. I do not at all believe that those advantages were over-stated; in fact, I do not believe that the wildest prophecies of the effect of the Sault connection have exaggerated the advantages of such a line to Canada. The commercial centres of Montreal and Toronto have met frequently to discuss the question. Last year they had meetings with the Minister of Railways, who became himself a most eloquent advocate of the Sault road. Hon. gentlemen can find his observations in the debates of last year, and in the published reports of his interviews with the Boards of Trade in the press of this country. He did not state in those interviews that the Government would build the road, but his language was so strong and so earnest that that was the natural inference. After the Minister delivered his speech in Toronto on that subject the *Mail* stated it might be considered a foregone conclusion, the Government so thoroughly approved of the scheme, that it would be a part of their policy. We know very well that since the Grand Trunk Railway has succeeded in getting an independent line from Detroit to Chicago that 29 per cent. has been added to its traffic by its connection with that great freight centre. I am satisfied that the Sault Ste. Marie branch would do for the cities of Montreal and Quebec, and for the Intercolonial Railway, more than any other project that can be named. No other project can be compared with it in its enormous advantages. I have always looked forward to the Sault Railway as being of immense value to the North Shore roads; but all its advantages to Quebec have to be set aside for the Syndicate who are interested in carrying the trade of the West down to St. Paul and Chicago. Last year we know that there were parties who were most anxious to take hold of this Sault connection, but now it has to be abandoned, and for ten years, at all events, it will be impossible for us to get to our North-West except by going around by Chicago. The argument used is, that if we relinquish the Sault connection we are going to have a through line on British territory. True, we are, but we will have to wait ten years for it, while in three years we could have a short line by the Sault. But apart from that altogether, the vast volume of trade which commercial men expect to flow down from the North-Western States by the Northern Pacific Railway would warrant the construction of the Sault connection in the interests of Toronto, Montreal, Quebec and other trade centres in the Eastern Provinces. We know that the Northern Pacific Railway runs through a specially fine wheat-growing country, and for years and years to come a large proportion of wheat and other produce for the markets of Europe must come down by the lines through Dakotah, Minnesota and Wisconsin, and it ought to be our purpose to attract as much of that traffic to Montreal and Quebec as possible. We see that the small percentage of trade that the Grand Trunk Railway has been able to secure under the pooling system which they had to accept from Vanderbilt and Gould — only seven per cent., I think, of the volume of traffic that comes east — has increased their receipts twenty-nine per cent. at the city of Montreal. What would be the increase were we to secure four-fifths of the traffic of the country that will be tributary to the Northern Pacific Railway? In a very short time there will not be less than 3,000,000 of a population in the American North-West, and that country is naturally tributary to the system of railways centreing in Montreal and Quebec. We know from the expressions of the

Boards of Trade of Duluth and other western cities that they are looking in this direction for an outlet, as being the shortest and cheapest line to the seaboard. In the prospectus recently issued by the company who are building a railway from Marquette to St. Ignace, one of the attractions that they hold out to shareholders is the certainty of a connection with the Canadian system of railways at the Sault, and they have probably set forth the advantages of that connection much more forcibly than I have been able to do. The more one thinks of it the more he is astonished at what is about to escape our grasp; that for ten long years we shall see the whole of that trade that should come to enrich our own railways and build up our eastern cities diverted to foreign ports. Will any hon. gentleman attempt for a moment to compare the vast advantages to be derived by this country from Canada's connection at the Sault with the railway system of the North-Western States to the benefits to be derived from a subsidized line of steamers between Canada and Brazil? We are told that it is an un-British sentiment. I do not think it lies in the mouths of hon. gentlemen opposite to say anything about anti-British sentiment in this respect, because they know that all our railways have their American connections, both in the West and in the East; all converge there either at Detroit, Niagara, or Portland. I have referred to the enormous increase in the trade of the Grand Trunk, which has followed from its extension to Chicago. Hon. gentlemen would like to give the National Policy credit for it, but in truth it is entirely owing to securing a share of the vast volume of the trade of the west.

Hon. Mr. AIKINS — How does the hon. gentleman fix the cost of the Sault at $3,000,000?

Hon. Mr. SCOTT — If the Government had last year granted a subsidy of $3,000,000, a company would have undertaken its construction, and I have no doubt that if the Government now choose to subsidize a company to that extent they will at once have an offer for it. There is no difficulty now in transporting troops into the North-West through American territory. We have sent mounted police over the American railways to that country on many occasions.

Hon. Sir ALEX. CAMPBELL — What about the Red River trouble?

Hon. Mr. SCOTT — We are not likely to have a repetition of the Red River trouble. That country is not worth settling if the people who go there do not feel sufficient attachment to their territory to defend it as Ontario and other provinces defend themselves.

Hon. Sir ALEX. CAMPBELL — Supposing there is an Indian trouble?

Hon. Mr. SCOTT — There is no danger of an Indian trouble. We can increase the police force to any extent if there is.

Hon. Sir ALEX. CAMPBELL — Supposing the Imperial Government want to send troops across to the East Indies?

Hon. Mr. SCOTT—I regard that as highly improbable, and for seven months of the year they have access to British Columbia through our own territory by the Lake Superior route. Let me remind hon. gentlemen that it is only a short time ago that we bought from the Grand Trunk Railway the section known as the Riviere du Loup Branch, and we stipulated that every dollar of that money should be expended by the Grand Trunk Company on American territory in securing an independent line to Chicago. That is what the Government did less than two years ago, and now they talk of British feeling and being independent of American railways. Hon. gentlemen cannot shelter themselves behind such a narrow pretext as that; it does not accord with the sentiment of the age. Have we not enlarged our canals for the benefit of the American traffic, because we feel that it will be of greater advantage to Canada to extend our commercial relations with that country, and I think it is quite out of harmony with the spirit of the age when the Government say, as they do in this contract, that for nine hundred miles of the frontier of Minnesota, Dakotah, Washington Territory and Oregon, there shall be no communication between Canada and the United States by railway. Just fancy such a proposition being made at the time the Grand Trunk was inaugurated, that from Port Huron down to Quebec there should be no branch lines running south connecting the United States! The proposition would have been scouted as ridiculous, and would not have been listened to for a moment. We would rather have lost all the benefit of the Grand Trunk Railway running through this country than submit to any such proposition, and the people who now represent this Dominion would have been amazed at the short-sighted policy that would have placed upon us such a burden and would have bound the commerce of the country with such shackles as were never placed on a people before. There will be just four channels through which to reach the North-West: one on the west *via* the railway through British Columbia; from Ontario over the Eastern section; from Lake Superior by the Thunder Bay Branch, and from the south by the Pembina Branch. That these four channels should be placed in the hands of one company is monstrous. I say to the Government, let them at least retain the Pembina Branch independent of the Syndicate, or let them retain the Thunder Bay Branch, so as to have some independent line under the control of the people, that they can have access to the United States without coming under the yoke of the Syndicate. If this Bill, as it now stands, becomes law ten years hence our action will be keenly criticized, and we will not get much credit for our foresight. The subject is a very large one; the more one thinks of it the more it bristles with weak points, and the more objectionable are the features that present themselves. I perhaps owe the House an apology for the lengthy remarks that I have made. They have, no doubt, been somewhat broken, by the kindness of the House in allowing the adjournment on the first and second day, but I have endeavored, though perhaps feebly, as faithfully as I could to point out what, in my judgment, were the weak clauses of this Bill, as they affect the interests of the people of Canada. Having done this, I beg to move that the Bill be not now read the second time but that it be read the second time this day three months.

Hon. Mr. CORNWALL — I hope it may not be considered presumption on my part to rise and address the House in immediate succession to the distinguished gentleman who, before six o'clock, took his seat after an address which had extended over three days. At all events I think the idea of presumption on my part will be dissipated when I say at the outset that I have no intention to follow the multitudinous arguments which that hon. gentleman has laid before the House, in the course of the long speech in which he addressed it. I confess when I listened to those lengthy arguments which he delivered in the peculiarly clear and unimpassioned manner so usual and so becoming to the hon. gentleman, I recognized in those arguments old familiar friends—arguments which had been before used in a different place, and generally throughout the country during the past two months, and which have already, on every hand, received the most complete refutation. That refutation, I have no doubt, they will again receive at the hands of hon. gentlemen in this House, who will succeed in the debate which is to take place on the motion before the House while I propose to confine myself more to a review of the basis which underlies the whole of the remarks addressed to the House by the hon. gentleman. I was surprised— I will not say surprised —but my attention was attracted at the ouset of his speech by a remark which he made, a remark not made for the first time, a remark often repeated by him, but a remark very significant of his peculiar views; it was that the lapse of ten years since the bargain with British Columbia as to the commencement and completion of this railway was first made without any very particular progress having been made, was a sufficient proof of the folly of that bargain and of its premature character. The hon. gentleman did not, however, produce an argument in support of the assertion which he thus made, but notwithstanding that, I think it is a subject on which I might well spend a few moments, to enquire whether really the lapse of this time shows the bargain thus made was an unwise and premature bargain, or whether we m y not perhaps, more correctly, lay the blame of the delay which has taken place on the shoulders of a particular party of politicians in this country. We all remember that within two years after the ratification of this bargain with British Columbia, the charter which is known as the Allan charter was given out by the government of that day. We all know that Sir Hugh Allan went to England to raise the money that was to enable him to carry out the undertaking which he had engaged to perform; we all know that he failed in the mission which he thus undertook to England, and for this failure of his mission there was one of two causes: either this failure arose from the perverse opposition which was given to him and to the persistent opposition offered to the whole undertaking, by a certain party in this country, and by a certain portion of the press of this country, not only here, but by their agents in England; or on the other hand, the failure of his mission to England occurred because the charter which he had obtained did not contain sufficiently favorable conditions to induce capitalists to back him in the undertaking which he had entered into to construct this enormous work. Now, if my first view is correct, that it was owing to the opposition that the building of the whole of the Canadian Pacific Railway received at the hands of a certain party in this country, then, it is a fact that, for that opposition and for the failure of Sir Hugh Allan's mission, a certain portion of the press and people of this country is responsible, and that is the portion who are now in opposition to the Government which is now entrusted with the administration of the affairs of Canada, and in this way we may account for three years of the ten which have elapsed since the bargain with British Columbia was first made. What shall we say, then, of the succeeding five years, the five years in which the party of the hon. gentleman who has made this long address to us was in power? What is the history of that five years in connection with the building of this great enterprise of the Canadian Pacific Railway? Is it not acknowledged throughout the length and breadth of the country, that those five years were frittered away in attempts to inaugurate some different policy with regard to this great question, than that which had been initiated by the preceding Government? Were not those five years frittered away in still more culpable attempts to waste the time of the country and the resources of the country in attempts to blind the people as to the intentions and policy of the Government in reference to this great question? Was it not during that time that the hybrid policy, if I may so term it, of land, water and rail communication with the North-West, was first inaugurated? Was it not during that time that numerous surveys and explorations in British Columbia were commenced and carried on although it was known on all sides that those surveys and explorations, to a great extent must result in failure? Was it not during that time that large sums were thrown away in the construction of useless locks and works, and in the purchase of unnecessary plots of land, and that all this seemed to be done simply with the object of throwing dust into the eyes of the people—with the object of blinding the intelligence of the people as to the absolute want of policy which characterized the acts of the Government? So, five years were spent, and in connection with the three years to which I have already alluded, occupying eight out of the ten that have now elapsed since the completion of the bargain with British Columbia. For the remaining two years what have we to show? There are now at present under construction some 600 or 700 miles, or it may be some miles more, of the total length of the Pacific Railway, and of those 700 miles, a portion is already approaching completion, while with reference to the remainder of that long line, we have now before us the scheme which is embodied in the Bill which we have been re-considering, and which seems to me, at all events, to be a sensible and practical scheme. I think it would be useless in me to say anything further to show there is nothing to support the assertions of the hon. gentleman who last spoke, as to the fact that the bargain which was made with British Columbia, in the first place, was an unwise and premature bargain, because, if any blame in the matter whatever attaches for the delay which has occured it must be altogether on the shoulders of the party of which the hon. gentleman is a prominent supporter. If, on the other hand, the Allan charter, was not a sufficiently favorable one, if it did not contain sufficiently favorable conditions to induce capitalists to undertake the work, then, it appears to me, there was sufficient reason to induce even the last speaker to understand that it was well and fitting in this charter we are now considering there should be some such conditions inserted as would bring about the end we all desire to see—that there should be in it something which might hold forth an absolute certainty to the contractors of remunerating themselves for the immense expense and risk they run in undertaking that enormous work. But the whole drift of the hon. gentleman's argument when he was comparing the Allan charter with the contract which we are now discussing, and the comparison which he drew between the state of the country in 1873 and the state of the country at the present moment tended only to convince me that now is the absolutely favorable time for the commencement of the carrying on of the great work of the construction of that portion of the railway which has not already been commenced. It seems to me that the easiness of money—that is the easiness with which money could be obtained — that he alluded to, that the cheapness of material and the comparative accessibility of the North-West and neighboring territories are just the facts of such sufficient importance as have enabled the Government to make the present bargain with the contractors which is embodied in the Bill that we are now discussing. As I said before, I do not intend to follow the hon. gentleman through all the arguments which he has advanced, but there is one particular matter to which, I confess, I was surprised that he did not refer, and that was as to the immense burden which lies on the shoulders of the contractors in having to maintain and operate the whole line when it is completed and in their hands. The hon. gentleman made no allusion whatever to that. He probed the whole contract from beginning to end. He examined carefully and concisely — hardly concisely, but carefully and at length every different clause of the contract as he took it up, and, although he attempted to show every advantage pertaining to the contractors who have undertaken this work, he altogether omitted to make any mention of this great charge which lies upon them of maintaining and operating the line after it is completed. Different estimates have been made as to the cost of such maintenance and running of that line. Those estimates have varied from a sum of $6,000,000 to $8,000,000 per annum; and it has been further estimated that until the country through which the line passes has a population exceeding 3,000,000 people it would be impossible that the road should ever pay. Now, hon. gentlemen can judge for themselves as to what time is required to elapse before 3,000,000 souls shall have penetrated the comparative wilds of the North-West, and settled definitely in that country. And consequently if that were to take a long time, in proportion to the length of time, so would the burden on the shoulders of the contractors be, until that point is reached, of having to maintain and operate this line at an annual loss. Although the hon. gentleman did not refer to the whole of the line with reference to this particular point, yet he was careful to say, as regards one particular section of that line, that there was no possibility of its ever being a paying concern. Of course the part of the line to which the hon. gentleman referred was the western portion of the central section, and what is known as the western section proper, both of which are in British Columbia. I know that the hon. gentleman, although he makes this assertion, believes, has no special knowledge of the Province of British Columbia. He has never been in that province, and therefore, it has not been in his power to inform himself very particularly as to the characteristics of that country. I think further, that he has never been so far west in the Western States belonging to the United States, as to be able to appreciate from what he has himself observed the wonderful change that is brought about in new countries when they are permeated by new lines of railways, such as that we propose to commence to build through our own

North-West, and through British Columbia. I should rather fancy from the remarks which fell from the hon. gentleman on a question like this, that his experience has been confined to his own immediate neighborhood. However that may be, it seems to me the only way in which one can really fairly judge of such a question as this is by comparing a line which we know, within the last few years has been commenced and carried over a new and uninhabited country — by comparing such a line as that and the country over which it runs with the country over which we propose to build our own Canadian Pacific Railway. That comparison I intend to make, and for the purposes of that comparison I will take the Union Pacific line, of which we have for some time past heard a good deal. I myself have passed many and many a time over that Union Pacific Railway, and at the same time I know the greater part of the country in British Columbia through which our western section of the Canadian Pacific Railway will pass, so that I consider myself comparatively at home on the subject, and able to make the comparison to which, hon. gentlemen, I shall ask your attention. The thousand miles over which the Union Pacific Railway takes its course passes through a country which I may describe as unprepossessing in every particular. It is true that for three hundred miles west of Omaha, the point from which it starts, it passes through a country which is available and valuable for agricultural occupation, but having passed that 300 miles the grades begin to rapidly ascend, and for the remaining 700 miles of its course it passes over a country which is comparatively valueless for anthing but pastoral purposes — a country producing a scanty growth of herbage and grass, and which can only support a limited number of flocks and herds. When the Union Pacific Railway was first commenced the country over which it passed was altogether uninhabited, and yet, notwithstanding the character of that country, as I have attempted to describe it, the absence of all apparent natural resources, the absence in that country of all we are accustomed to suppose renders life enjoyable—notwithstanding all these drawbacks the line of railway which runs over that country, during the past year received, as the value of the total amount of traffic which passed over the line, a sum exceeding $25,000,000. That was the gross return, and of that large sum the net value over the expenses of conducting that line amounted to a sum in excess of $5,000,000. Of that total sum of $25,000,000, extraordinary to say, considering the character of the country, it is estimated that more than one half was the value of the way traffic that was carried over that line to and fro between particular stations within the distance over which that line passes. We will suppose that the remaining half of the total receipts are received as the value of the through traffic that is carried to and fro between the east and west. If we compare with this country which I have just described the British Columbia section over which our own railway will pass we shall find that there is a wonderful advantage in favor of our section. The line will pass for a considerable distance through long tracts of agricultural and pastoral lands, and where it does not it will for the most part pass through a country which is splendidly wooded and valuable in other ways. The rivers and lakes which are contiguous to the railway teem with fish, and the mountains, of which we hear so much, abound with valuable fur bearing animals. Much more than all this, the whole line through British Columbia will pass through a country which has already been amply proved to be rich in every description of valuable minerals. What a comparison, hon. gentlemen, between the two! On the one side we have a country which is unattractive in every particular — which apparently, to the eye of one passing through it, is deficient in all valuable and productive characteristics, and yet a country which has been found capable, within a few years, of supporting a line of railway whose absolute cash receipts for the past year have exceeded the enormous sum of $25,000,000. That is one side. On the other we have a country which bears on its face the impress of wealth, and yet which is described by my hon. friend who lately took his seat, as a country over which it is impossible to build or sustain a paying line of railway. I think that on such a point as this hon. gentlemen should be particularly careful before they make assertions as to any particular portion of the line, and publish to the world that it is impossible, for many years to come, and perhaps for all time to come, that a particular portion of this great highway which we propose to construct and hope to see successful, can, under no circumstances, be made self-sustaining. With reference to British Columbia there is another point to which the hon. gentleman made some allusion and to which I feel somewhat loth to refer myself, although I feel called upon to do so. I confess that I sat horror-struck in my seat when I heard the hon. gentleman refer to the fate which the Bill for the construction of the Esquimault and Nanaimo Railway met with in this House ; and when he expressed the belief that the Senate had taken on that occasion a right and proper course,it flas hed upon me in a moment that at last we had heard the true cause of the fate of the Bill ; it flashed upon me at once that there was a confirmation of those suspicions which we had always held with reference to that unfortunate Bill, and I thought the hon. gentleman had, from his own mouth, convicted himself of having been instrumental in introducing to this House a bill which the Government of which he was a member was willing to have defeated.

Hon. Mr. SCOTT — I was speaking of what the experience of a few years does, and how, looking back upon the past, I was not prepared to say that the Senate had not acted wisely and right in rejecting the Bill. I hope the hon. gentleman does not mean to insinuate that I did not act honorably on that occasion ; I hope he does not insinuate that I did not try to have that Bill passed. If the hon. gentleman does take any such stand as that I think he is going beyond the Parliamentary rule. I do not think he has a right to accuse me of falsehood or treachery to my own party. The hon. gentleman knows very well that every supporter the Government had in this House on that occasion voted for that Bill.

Hon. Mr. CORNWALL — No.

Hon. Mr. SCOTT — All, with the exception of Mr. Penny.

Hon. Mr. AIKINS — Two voted against it. You would have had a majority if two of your own supporters had not voted against the Bill.

Hon. Mr. SCOTT — I do not think that justifies the hon. gentleman in making a charge against me that I acted deceitfully, that I was guilty of falsehood or treachery. If I had been, no language would be strong enough to condemn or characterize such conduct.

Hon. Sir ALEX. CAMPBELL — I do not think the hon. gentleman does.

Hon. Mr. CORNWALL — The hon. gentleman thinks that I am not justified in putting the exact interpretation on his language that I do. But if we look back for a few years and recollect the circumcumstances under which that Bill was defeated, I think the majority of this House will agree with me that I was perfectly justified and perfectly right in saying what I have already stated with reference to this matter. I will try to recall to the minds of hon. gentlemen what did actually occur on that occasion. The Bill was introduced at an evening sitting towards the close of the session of 1875. That Bill called for authority to construct the Esquimault and Nanaimo Railway. It was introduced by the hon. gentleman himself, who was then Secretary of State and leader of that Government in this House.

Hon. Mr. SCOTT — The Hon. Mr. Letellier was leader then.

Hon. Mr. CORNWALL — At all events the hon. gentleman was a member of the Government, and introduced the Bill himself, and I remember well the lame, short and impotent speech with which he introduced that Bill, and yet that Bill was brought forward in order to carry out one of the most solemn obligations into which the Government of which he was a member had entered.

Hon. Mr. WARK — Do you remember the speech your own colleague made?

Hon. Mr. CORNWALL—If the hon. gentleman will refer to the report of that speech, it will be seen that what I have said is substantially correct. The speech was on an important motion, and yet the report of it does not occupy one column of printed matter. It had no argument of any sort or kind enunciated in support of the Bill which he brought forward. All he said was, that he had the honor to propose the second reading of a Bill in order to carry out the arrangement made by the Government, and when my hon. friend, the present Minister of Inland Revenue, got up and proposed an amendment to that motion that the Bill should not then be read, but be read that day six months, what course was pursued by the then Secretary of State? He never exerted himself in the slightest degree; he never lifted up his voice or held up his finger in support of this Bill, but sat contentedly in his place and allowed his own supporters to vote down the Bill.

Hon. Mr. SCOTT — No, no.

Hon. Mr. CORNWALL — I repeat, he allowed his own supporters to vote down the Bill which he had himself introduced, and which he was bound to see through if he could possibly do so. That is a true statement of what happened on that particular occasion.

Hon. Mr. SCOTT — No, no.

Hon. Mr. CORNWALL—I regret that what has occurred now substantiates my suspicion as to what led to the defeat of that Bill. I would like to know what our late Governor-General, Lord Dufferin, would think of this matter if it was brought to his knowledge. Lord Dufferin himself, in private conversation with me—

Hon. Mr. SCOTT—Order.

Hon. Mr. CORNWALL—I am quite in order. Lord Dufferin always expressed himself strongly on this point, and in one of the notable speeches which he made while holding a position here — a speech to the people of Victoria and Vancouver Island — he took it upon himself to say that if he had the slightest idea that on the part of his Ministers there was any duplicity with reference to this particular Bill, either they would have been dismissed, or he himself would have left the country. I hope the matter never will be brought under his knowledge. I confess I would rather he continued in the state of uncertainty he is at present; I should prefer that he continued in the state of confidence which characterized his intercourse with the Ministers who were then in power. I think it would be most unfortunate if his confidence in those who then guided the destinies of Canada, should be shaken by a knowledge that anything of this sort had occurred. On this railway question it has always seemed to me that the course of the hon. gentleman was inconsistent and contradictory. In the many speeches he has made to the House the drift of his remarks has been condemnatory of the whole scheme. He always appeared to me to lead us, his hearers, to understand that he depreciated the value of the country through which it was proposed to build the line; that he undervalued the resources of that country; that in his opinion nothing could possibly make the enterprise a paying one; that the whole scheme appeared to him to be a mad and illusory one; that if it was carried out in its entirety it must necessarily result in disaster and disgrace to Canada. I remember well his saying that the undertaking to build the Canadian Pacific Railway would cause the downfall of many administrations. It is reported, and I believe it is true, that on another occasion the hon. gentleman asserted that the line could never be built under the space of forty years! Now he comes before us in a perfectly different light. Now he expresses the opinion that on the whole the undertaking is a favorable and feasible one. Now, he says, the accessibility of the North-West, and the value of the lands in the North-West, are facts patent even to himself. Now, he allows the cogency of the arguments which we, his opponents in this House, have persisted in advancing since the initiation of this scheme, and in the excess of his zeal he says he personally knows many influential residents of Canada who are ready now, for a less consideration than that which is offered to the Syndicate, to undertake this great work which he himself, up to the present moment, has always declared to be an impossible one. The hon. gentleman goes so far now as to ascribe a certain large value to the lands of the North-West, up to the foot of the Rocky Mountains, which he had hitherto always depreciated. I confess that when I heard him make that remark I was glad to see that his imagination, when in an appreciative mood, took such a flight, and I hoped that at some future day it might wing its way still further westward, and even in that despised British Columbia it might find something which the hon. gentleman himself might appreciate and value. But, speaking seriously, I am delighted to see the alteration in the hon. gentleman's views. It is always pleasing to find men of standing and intelligence at length taking the same view of matters which we ourselves have taken, and, whatever the object of the hon. gentleman may be as to the course which he now adopts, I am sure we ought to cheerfully welcome him among those who have always considered the construction of the Canadian Pacific Railway as a feasible and practicable scheme. I should be sorry to ascribe the change which has come over the hon. gentleman to a wish to show that the advantages offered to the Syndicate are too great. I should consider that the end to be attained would be altogether unworthy of the means which he would thus adopt. I prefer to believe that the change which has come over him simply indicates a late awakening on the part of the hon. gentleman to a due conception of, and belief in, the necessity and value of this our great national undertaking. I confess the hon. gentleman somewhat surprised me towards the end of his speech this afternoon when he expatiated on the value of the connection by Sault Ste. Marie. I was aware before the hon. gentleman called our attention to the fact, that during the last session of Parliament, and prior to that, a great many members of this House had expressed themselves as favorable to the scheme which was then proposed, but at that time it seemed uncertain what period must elapse before we had obtained our own inter-provincial communication through the means of the construction of a line north of Lake Superior. Independently of that, I do not think, as far as I can remember, that up to the present moment the hon. gentleman himself has ever come forward in this House and advocated that scheme. I do not particularly remember his opposing the scheme, but as far as I know he never has really come forward and expressed himself as an enthusiastic advocate of the connection by way of Sault Ste. Marie. What then can be his object in doing so at the present moment? The House can judge; it is unnecessary for me to say anything on the point.

Hon. Mr. SCOTT — I have advocated it for ten years.

Hon. Mr. CORNWALL — The leader of the House, when he proposed the second reading of this Bill, said he would confine his remarks altogether to the practical view of the question. That, to a certain extent, leaves the field open to me to make a few remarks upon the more general bearing of the question on the great interests of Canada, and of that opportunity I purpose to avail myself. In truth, the matter has been already examined in so thorough and practical and statistical a manner that I feel that nothing I could possibly add would throw an additional light on the question of the millions involved, or the amount of land which may be given as a subsidy to the contractors who undertake the construction of this great work; but looking at the matter from another point of view — from the point of view of national expediency involved in this great undertaking; regarding the question of national honor involved; considering the question of the construction of the Canadian Pacific Railway as one intimately connected with the future consolidation or disruption of the Confederation, I will say a few words in addition to what I believe will prove an important debate on the subject now before the House. Of the national expediency of the construction of this great work, what doubt can possibly arise? Whether we regard the matter from a purely Imperial standpoint — looking upon ourselves, as we have a right to do, as a most important part of the British possessions — looking upon ourselves as a not unimportant unit in the possible future grand confederation of the British Empire; or whether we regard the matter simply with reference to our own material interests, I think we must alike be struck with its stupendous importance. In England at the present moment the necessity of the all-rail communication through Canada from that important Naval station, Halifax, on the Atlantic, to the still more important station, Esquimalt, on the Pacific, is now considered imperative, and though we may not look to the heavily taxed people of Great Britain to afford us any material assistance towards carrying out this great work, yet we feel that we may always look to them for all that moral and indirect support which can be afforded by the Ministry of the day or the great majority of the people in England; and the reason for all this is obvious. The position of England in the North Pacific requires strengthening. It is true she has there a naval station, but it is a station remote from source of supply from base of operations, and a station with which no rapid telegraphic communication can possibly take place except over the lines of foreign countries. Other countries, notably Russia, are in a different position. Russia has Naval establishments and arsenals within ready access to our western possessions. At a place called Vladivostock Russia has been strengthening herself for years, and Vladivostock is in direct communication both by rail and telegraph with St. Petersburg, and, at the same time, within a few days' steam of Vancouver Island. How different, then, is the position which Russia occupies in the North Pacific to the position which England occupies if at any future time difficulty should arise between the two countries. In addition to this the direct communication which would be afforded to Great Britain with China, Japan, Australia, New Zealand, and other possessions in the South Pacific and adjoining seas, are quite sufficient in themselves to enlist on our side the indirect assistance of the people of Great Britain as far as they themselves can afford to give it. If such be the case with regard to England, how much more is our own national development and our material progress involved in this particular question. It simply resolves itself into this: is Canada to remain for all time to come simply what she is at the present moment — nothing more in importance and national position than two or three of the adjoining States of the Union would be if separated from the rest of the great Republic? Are we to be content for all time to come with the slow natural development, which in any part of the habitable world must sooner or later necessarily take place, or are we now to rise to the importance of the opportunity now afforded us, and to seize that opportunity with determined will and hold with unrelaxing grasp the certainty of becoming hereafter a powerful factor in the progress and future of the world? With that great country which stretches with an almost illimitable area in the North-West to be occupied and settled, and with its equally important contiguous Province, British Columbia, awaiting our occupation, what Canadian could hesitate as to the course he should now pursue? That such Canadians there are I regret to allow; but what has already been said in this House, the course of debate in the other House, and the line adopted by a portion of the people and press of this country, force one to such a conclusion. Now, as to the second point, hon. gentlemen, to which I have alluded, that of the national honor involved in the construction of this great work, every member of this House must be conscious that for the past ten years Canada has been bound by the most solemn pledge into which she could have possibly entered, to construct, with all reasonable celerity, this great inter-provincial railway. When we remember that that obligation on the part of Canada was the chief inducement to British Columbia to enter the Confederation, we must all be struck by the peculiarly binding character of that condition of the terms of union, and it does not seem possible that any member of this House should either willingly or wilfully forego the opportunity which is now offered of discharging in a satisfactory manner, the obligation so incumbent upon Canada. But so long a time has elapsed since the ratification of the terms of union, that some seem more inclined altogether to ignore them, altogether to disregard them, and such seems notoriously to have been the case with that body of men, with their supporters, instigators and backers, who recently made to the Government of the day that ill-considered and inopportune offer which is known as the offer of the second Syndicate. For the simple pith and meaning of that offer was to disregard the obligations resting upon Canada; it was a proposition to drop both ends of the railway which we are bound to build, while at the same time it proposed, at the expense of the country, to do the easy and best paying portion of the line — the central section of the line which runs up into Manitoba and the North-West, and place that central portion of the line in connection with the railways of the United States.

Hon. Mr. SCOTT — No, no.

Hon. Mr. CORNWALL — That is simply the offer that was made—nothing more or less than I have described. Thankful should the people of the country be that there is no possibility or probability, that there never was any possibility or probability, of the acceptance of such an offer; thankful should we be that, though there are some who favor such a scheme, a great majority of the representatives of the people, and the grand majority of the people themselves, are thoroughly opposed to it as unwise, ruinous and unpatriotic. The third point to which I wish to call your attention is the intimate connection which the construction of this railway has with the future consolidation or disruption of the confederated Dominion. I shall point out in a few words how very intimate that connection is. It appears to me that the completion of this line within our own boundaries is the only thing that can closely bind together the general interests ot the different provinces of the Dominion, which are divided by geographical and natural boundaries, and influenced by divergent interests and foreign connections. The North-West, with its enormous extent of valuable land, is now only to be reached over a considerable length of American railways. Valuable as is the use of those railways to us, it is evident that the profits of supplying the wants of the North-West must be considerably diminished by the proportion which those American railways take from the sum total of the value of the carrying traffic to and fro, and the intimate relations with the adjoining States, which are brought about by the use of those connecting links of railway, and which tend to throw the business and profits of supplying the North-West into American hands. The proportionate gain to America is thus lost to Canada, and although at the present moment that may not be a matter of extreme importance, yet what will it be hereafter when hundreds of thousands of people populate that North-West, people who are painstaking and hardworking, and whose wants will have to be supplied for many years to come from older and more established sources? Again, if in time these business and commercial relations with the United States become intensified and strengthened by our carelessness and supineness in neglecting to build our interprovincial railway, I foresee that the inevitable tendency of the people of the North-West hereafter will be to combine their interests with those of the people of the United States, and become a portion of the great Republic. How deplorable, hon. gentlemen, would be such a consummation of our labors and our hopes in this particular! For in this way would be brought about a disruption of that Confederation which it has already taken many years of energetic labor and careful statesmanship to bring to the position it now occupies. What a lasting disgrace would attach to those who are now attempting, as they have heretofore done, to thwart and delay the execution of this great work within our borders! Now, all I have said with reference to the North-West is still more applicable to the Province of British Columbia. Separated as that province is from the older provinces of Canada by a great stretch of country, and by a range of mountains impassable to ordinary means of conveyance; separated as she is from Great Britain by an enormous distance; bounded as she is, both on the north and on the south, by territories belonging to the United States, the evident tendency of the interests of her people is rather to amalgamation with the United States than to the continuance of their present relations with Canada. But all that, hon. gentlemen, would be immediately avoided when there is some certainty before the people of the rapid construction of this great work; when there is some certainty that within a very short time this great national work will be completed. Then, when it is completed, we may hope that British Columbia, instead of being, as she is now, a *terra incognita* to the rest of Canada, will become better known, and her true value better appreciated. Then her development, which has been so long expected, but which has been so long delayed by her unfortunate geographical position, would rapidly progress, and at last there would be a cessation of those impudent and irritating remarks which are being continually bandied about concerning British Columbia among the more ignorant people of the older provinces. Extraordinary as is already the amount of the annual contribution of British Columbia to the general revenue of the Dominion, when this road is completed we may expect her exporting and producing powers will be largely increased, while we may feel sure that her output of precious minerals will render her one of the best paying customers of the older provinces of the Dominion. All those who study the trade returns as they appear from year to year, who note the volume of the imports and exports of British Columbia; all those who are able to form an estimate of the extent and variety of her natural resources, and those who can appreciate the past—that all that is done in British Columbia is the result of the labor of comparatively speaking a handful of people, must be struck with the importance of that country, must be struck with the importance which she must attain in the future when she shall have become accessible to that stream of emigration which is continually pouring westward, and which carries with it capital to utilize and labor to employ. Now, with all those desirable ends to attain to which I have alluded; with the absolute certainty before us of advancing in national prosperity, in national honor and material wealth by means which are now apparent and practically simple, why should we longer hesitate? When we have embodied in the Bill we are discussing, an offer made by practical and experienced men to undertake this great work which we have wished to see commenced for many years; when we know that that offer is made by men experienced in the particular description of work which they now propose to undertake; when we know that those men who so offer are backed by important capitalists of Europe, and by important business houses of Europe in a way which compels us to believe that they are able to carry out that which they offer to undertake; when we can calculate to a dollar what shall be the actual cash cost to the country of this great undertaking; when we realize the fact that this subsidy of land, enormous as it is, is a gift which will only be rendered valuable by the very work which this Syndicate undertake to perform; when we understand further that this offer is the best offer to undertake and perform this work which has ever been made to the country, and when we acknowledge, as we must all acknowledge, that it is a better offer than we ever expected to obtain, it is the evident duty of every member of this House and of every person who has the true interest of the country at heart, to support the Government, by legalizing this contract which they have made, and to strengthen their hands in every particular. In years to come will be felt the debt of gratitude which is due to the Government for their energetic labors in this matter, and I predict that whatever their opponents and detractors may say to the contrary, a very few years will suffice to prove the wisdom of their course, and insure the success of their undertaking. As I have already said, the late Government had no policy whatever with regard to this great question; they were guided by the expediency of the moment, by the necessities of the hour, but notwithstanding their inability to grapple with the great question involved; notwithstanding what appears to me their utter disregard of the best interests of the country in this connection, they seem now to have learned nothing by their experience, and are still as ready to oppose a simple, practicable scheme for the construction of this great work as they were when in power to waste the resources of the country in their very successful efforts to do nothing. Of course when this contract was first laid before Parliament and before the country, there were many who thought that some of its conditions were too favorable for the contractors who were going to take the work in hand. I fancy that was the first impression which we all received, but I think the most satisfactory part of the whole affair is this: that now, after the lapse of two months during which this contract has been looked into from every point of view; when every clause of the contract has been turned inside out in the most thorough manner; after every possible objection has been taken to every proposition in the contract, and when the terms of the agreement have been thoroughly explained by the Government, the general consensus of opinion throughout the country seems to be that the contract taken as a whole, is a practical, well considered arrangement, one that was initiated with due regard to the best interests of the Dominion, and one of which there is very little chance of failure, while every consideration induces us to hope that it will be carried out according to the terms and the spirit in which it was commenced. Such, at all events, is my belief; and I am very glad to have the opportunity of saying so in so many words. Speaking as a British Columbian, I desire to express — not my gratitude for the course which the Government has adopted in this particular case, for, in my view, they have done nothing more nor less than they were bound by every consideration of honor and national expediency to do — but I rather desire to express my hearty appreciation of the determined energy which has characterized their action with reference to this great question; I admire alike the wise forethought which planned this great undertaking, and the ability which has led to negotiations for carrying it out to their present point, and above all do I admire their determination in the face of unscrupulous opposition to perform, without fear of the consequences to themselves, the high duty which has devolved upon them of upholdthe honor of the country, and of furthering its best and most lasting interests.

Hon. Mr. HAYTHORNE — The hon. gentleman from British Columbia, who has just resumed his seat, in the first part of his speech devoted his attention to the remarks of my hon. friend, the ex-Secretary of State, and while in my opinion those remarks were uncalled for and unnecessary, and to my mind also inconclusive, that they would, in fact, have been better omitted, yet as the hon. gentleman proceeded and spoke of British Columbia, and of his experience in that Province, and spoke as a patriotic gentleman in the interests of his Province, I confess that I then sympathised with his remarks. I felt that he was then acting a true and patriotic part as a representative of that Province. I must not allow the hon. gentleman or any of his colleagues from that Province to suppose for one moment that I for one—and I believe I can say for many others who take the same view as I do — that because we cannot approve of this measure which the Government has introduced, that therefore we are inimical to his Province. This would be a great mistake and a great injustice. I for one would rejoice to see this great national undertaking in operation, or, at all events, under contract and under way as quickly as the resources of our country would permit; but, because I wish to see justice done to British Columbia, I am not for that reason to approve of a scheme which my better judgment tells me is most rash and most improvident. I suppose, hon. gentlemen, no one here will, at this juncture, undertake to belittle the importance of the crisis through which our country is passing, nor yet the gravity of the issues which are involved in the Bill now before the House. What does this measure involve? It involves the payment to the Syndicate mentioned in that Bill—the payment of a sum equal to one entire year's revenue of our seven provinces. It involves the completion, as a Government work, of over 700 miles of railway; it involves the alienation of 25,000,0000 acres of our best and most fertile wheat lands; it involves the granting of many valuable privileges and immunities to this company, and the establishment of a gigantic monopoly, which, I fear, is full of evil to the future of our country. All that money and finished work, all these privileges, all that land, including roadway and station grounds of the railway, are handed over to that company in perpetuity. And what for? For building 2,000 miles of railway, most of it over a remarkably easy country—900 miles at least offering as great facilities for railway construction as any other part of this continent — for building this 2,000 miles of railway and operating it in perpetuity. It seems to me a vast undertaking, and it is so undoubtedly. What, I ask, should be the duty of this Senate in connection with so vast a scheme? Ought we not first to assure ourselves that our country is to receive full value for what it gives? Ought we not to use due caution to see that the interests of the present and future inhabitants of Canada are guarded in every respect, not to-day only, but in the future! Ought we not to satisfy ourselves, by all means in our power, that this scheme is better than any other scheme which has been or may be devised — that it is the best offer which the Government could have obtained, and that the best means have been adopted to secure the best offer? If we can satisfy ourselves of all these things, and believe that this is the best offer that could be obtained for Canada, then, hon. gentlemen, by all means vote for this measure. But I cannot persuade myself of anything of the kind. It seems to me that since the last session of Parliament the Government have taken a retrospective rather than a prospective view; that they have weighed everything that was made against the interest of Canada, and given the least possible amount of credit to everything that is made in their favor. I think, if the Government had been careful to take a large and statesmanlike view of the world around us — of the great changes which have occurred since a similar offer to that before the House was made in 1873 — they would have come to a different conclusion. I shall endeavor to show how very inadequate are the terms which form part of the present contract compared with those which formed part of the Allan contract. I shall ask the permission of the House to contrast a few clauses of the one with a few clauses of the other. I will read first, clause eight of the Allan contract:—

> "CLAUSE 8.—That the railroad shall be constructed and equipped according to specifications to be hereafter agreed upon between the Government and the company, and the materials of, and manner in which the several works forming part thereof, shall be constructed, and the mode of working the railway, or any part thereof, including the description and capacity of the locomotives, engines, and other rolling stock for working it, shall be such as may be hereafter agreed upon, between the Government and the company, provided always that if the Government and the company should be unable to agree as to the details of any of the matters in this clause mentioned, the same shall be from time to time referred to the determination of three competent engineers one of whom shall be chosen by the Government, one by the company, and a third by such two engineers, and the expenses of said references shall be defrayed by the company.
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> "And in order to establish an approximate standard whereby such matters may be regulated, the Union Pacific Railway of the United States is hereby selected and fixed as such standard, but in a general way only, and not with respect to any minor details in its construction or working, which may be found to be objectionable, nor with respect to alignment and grades, which shall be as favorable as the nature of the country will admit of without undue expenditure."

Hon. gentleman will at once perceive, before I proceed to read the clause referring to the same subject in the contract, that there is a wide difference between the two. Let us see precisely what these conditions are:—

> "The Company shall lay out, construct and equip the said Eastern Section, and the said Central Section of a uniform guage of 4 feet 8½ inches, and in order to establish an approximate standard, whereby the quality and the character of the railway and of the materials used in the construction thereot and of the equipment thereof, may be regulated, the Union Pacific Railway of the United States—as the same was when first constructed — is hereby selected and fixed as such standard."

I think, hon. gentlemen, that the gist of that clause has reference to the standard adopted, and thereon, I must say, I cannot approve of the conduct of the Government in this case. Whether they had the Allan contract before them or not at the time they entered into the engagement with the Syndicate, of course, it is impossible for me to say. But it is evident that the 3rd clause in the new contract is far less advantageous to Canada than the 8th clause which I just now read, from that of 1873.

I am aware that there is a proposal to alter that clause, but it must not be forgotten that when Parliament met, the Government were prepared to pass that clause in the contract as it stands there to-day, and, in fact, there the clause remains still unaltered, and the only explanation with which we are favored by the members of the Government in that regard is that they intend to alter it in some other bill. Hon. gentlemen, I am surprised at the conduct of the leader of the Government in this House — that a man with a lifetime of Parliamentary experience should recommend this House to pass this clause, with certain words in it, and trust to some future act — some other act which we have not before us now, and which, for all we know, we may never have before us — to do away with the mischief that may be contained in this clause. That, hon. gentlemen will agree, is a line of conduct which seems quite unparliamentary, and so far as my experience goes, quite without precedent. There is another respect in which, in my judgment, the Allan contract of 1873 is far preferable to the contract in which we are now asked to concur. Clause 11 says:

> "The Government may from time to time appoint such persons as it may think proper to examine, inspect and report on the construction and equipment of the railway for the purpose of ensuring the faithful performance of the agreement between the company and the Government."

There, I think, is a clause far more in the interests of Canada than anything we see in the new contract. Then when we come to the question of lands, in the Allan contract we find there again the old contract is more favorable to Canadian interests than the new one. With respects to lands the 14th clause of the Allan contract says:

> "That to secure the construction of the main line of railway, and in consideration thereof, there is hereby appropriated a grant to the company of 50,000,000 acres of land * * * in the Province of Manitoba, British Columbia, and in the North-West Territories, in blocks not exceeding twenty miles in depth on each side of such main line, and not less than six nor more than twelve miles in width, alternating with blocks of like depth and width on each side thereof reserved by the Government."

I may have something to say hereafter with respect to the alternate block system of the contract; but it seems to me that the mode of selection in the old contract is far more favorable than the mode of selection adopted in the new contract. In the old contract lands to be taken by the Allan company were situated in all the provinces, and their selection was not confined to what is called the fertile belt which is known to contain the best and most valuable wheat lands in the world. Thus far, at any rate, it must be admitted, I think, by all, that the terms of the Allan contract are more favorable to Canada than the new one. Another clause, the 46th of the Allan contract, so it seems to me, has some advantages over any similar clause in the new contract; in fact I doubt whether there is any such clause in the contract before the House. It has reference to bridging over navigable streams. I believe in the new contract there is no clause limiting the company's power or confining them to any particular mode of construction of bridges over navigable streams. I presume if any such clause exists in any other Act of Parliament, it may be made applicable to cases occurring during the construction of the Canadian Pacific Railway; but, I ask, would it not have been far preferable on an occasion like this to have been more precise in the terms descriptive of so great an undertaking; would it not have been more wise, instead of adopting any standard, to have devoted a few clauses to specifications defining the duties of the contractors in so important a document as that we have before us, and thus obviated the necessity of frequent reference to other acts of Parliament, one of which, the leader of the Government tells us, he intends, in some respects, to alter with respect to this scheme after the Bill has passed the House. I will now say a few words as to the actions of the Government with respect to this question during the two former sessions — during the sessions of 1879 and 1880. I cannot convince myself that the conduct of the Government or their policy during those two years has been thoroughly sincere. It seems to me they were coquetting with the question during those two years; I cannot pursuade myself that they actually intended these two great measures introduced by them should take full effect. They were also, I believe, contemplating some such change as has occurred during the past year would come to pass, and they themselves, perhaps, hardly believed in the efficiency of the measures which they were recommending to Parliament. Let us bring forward some facts in support of this statement. We find in 1879 a measure was recommended to the notice of Parliament which contemplated Imperial aid in the coustruction of the Pacific Railway. There was to be a large grant of land, I think 100,000,000 acres if I remember rightly, devoted to purposes of railway construction, but the main feature of the plan in that year was that Imperial aid should be obtained for that purpose. A deputation of the Government proceeded to England and interviewed the British Ministry on that subject. There has been so much reticence on this subject — there has been such an obvious disinclination on the part of the Government to disclose the results of their inner life in London that I am not sure whether we have any exact description of the result of their visit, and although I cannot call to mind any particular paper in which the result of their visit is detailed, yet I find in the reports of what took place during the session of the Imperial Parliament, House of Commons Report of the year 1880, I find, I say, Mr. W. E. Foster asking a question of the Colonial Secretary, Sir Michael Hicks Beach to which this reply was made, and which was in fact the *coup de grace* of the Government scheme for that year. It was in these terms :

> " There was some correspondence in 1879 between Her Majesty's Government, and the Dominion on the general question of the Pacific Railway, bnt not as the suggestion that this country (that is Great Britain) should by guarantee or otherwise assist in constructing the Pacific Railway. Some confidential and informal communications passed between the Canadian Ministers, who visited England last August and myself, but they never assumed the form of correspondence or led to any result."

That we find in the proceedings of the House of Commons as reported in the *Times* newspaper of the 19th March, 1880, and it certainly does seem strange to my mind that when the Government should have occupied the time of Parliament in passing a measure of such importance, and obtained the consent of their supporters to it, that they should have gone to England to secure Imperial co-operation, about which they might certainly have informed themselves by telegraph, while even before then the Bill was introduced. Yet, notwithstanding all this, having gone to London on this very errand, it never assumed even the form of correspondence ; it was thrown overboard with nothing more than what is in a confidential communication. So much for the scheme of 1879. In the proceedings of the following year, I find the Government introducing another proposal for the construction of the Pacific Railway —a very promising proposal too. It promised one important thing — if, indeed, such a promise could be kept. It promised, I think, in the words of a Minister in another place, that, if the scheme was adopted, it would enable the Pacific Railway to be constructed ultimately without costing the country a dollar. The land would ultimately pay the cost of the whole road. Now, that I consider a most proper scheme. It avoided some of the obligations we find in the scheme before us now. It avoided two important objections which I take to that scheme. It avoided the alienation of our lands to a company, and it avoided the still worse consequences of the alienation of the whole road to the same company. There was another important point in favor of the scheme of 1880, and I may say that I have never yet heard a reason assigned for its abandonment, Why so promising a scheme should have been abandoned by the Government seems to me to be inexplicable ; at all events, it was abandoned, and then we find the ground cleared for the Government to take up a new idea. Well, there are some new characteristic points about this idea as compared with the two former ones. There is a resuscitated idea in this, an idea which had been allowed to slumber for the two previous years, for this measure was introduced upon the plea that Parliament and former Governments had recognized the principle of building railways not as Government works, but by means of syndicates or companies. I do not, for my part undertake to identify the party with which I am connected with any such proposition as that. They may have entertained that view at one time. They may have entertained it in common with other parties. They may have thought if parties could be found who would undertake the work on favorable terms, that it would be advisable to adopt that policy. But I cannot undertake to say, that the party with which I have been co-operating was wedded to any such proposition. On the contrary, they did let sections of the work, and proceeded with the construction of them. The only mode by which I find this new scheme explained and introduced to Parliament, was in the Governor General's opening speech, the following clause of which throws some light on the subject: —

> "During the recess my advisers thought the time opportune for making another attempt to carry out the declared preference of Parliament for the construction and operation of the Canadian Pacific Railway by means of an incorporated company, aided by grants of money and land, rather than by the direct action of the Government."

It seems strange that this new idea should have flashed upon the minds of the Government so very soon after they had passed by a large majority the promising measure to which I have just alluded, What influence could have operated on their minds in this way? The whole of this question from that time down to the meeting of Parliament, and even since, seems to have been shrouded in mystery. We have never been told what induced the Government to go to England. It seems they deemed the opportunity favorable for floating a new proposal; that is the only explanation of the abandonment of the policy of the previous year and the adoption of that now before us. We have never yet been told that the Government have received other offers than the one which favors the subject of this Bill, whether they proposed to the Syndicate or the Syndicate proposed to them. These are points on which we are quite in the dark. In fact, reticence appears to have been the order of the day throughout this whole transaction. Their mission to England, was be it observed, was undertaken in a somewhat extraordinary manner, for I myself, in the early part of the session, moved for papers connected with this expedition, and the answer was, there was no Order in Council authorizing a deputation to proceed to England; that there were no instructions for their guidance when there, and no report of their proceedings made after they returned. I cannot pretend to say what the mode of conducting business in the Privy Council of Canada is, but I hardly think the mode adopted in the present instance is usual elsewhere; I only know it is not that of the Province with which I have been connected. We find these gentlemen, on their return, taking, to a very small extent, the public into their confidence. The hon. First Minister, I think, made a short speech after landing, in which he did not enter into details, but merely gave the general terms of the bargain which had been concluded. But he very justly added, I believe — I shall not willingly misrepresent him — that it was impossible to give the details of the scheme until they had been submitted to the Governor General in Council and approved of. Certainly I quite agree that it was proper it should be laid before the Governor General in Council and approved of before being made public. But, I ask, was there not time after the return of the Ministers, after the formality of laying the matter before the Governor in Council, to inform the faithful followers of the Government, in all the various provinces, of the details of this measure to which the people's representatives were to be called upon to give their assent so soon after the meeting of Parliament? Could it not even have been made public when the Government decided to call Parliament together on October 9th? Even ten days, if then allowed, though not amply sufficient, would have enabled supporters of the Government, as well as the Opposition, throughout the country, to discuss the question in their constituencies and enable the members to decide how they should perform their duties when they came to Ottawa. But secrecy was observed up to the very last moment. It does seem to me to be a very strange instance of perversity on the part of a Government possessing so large and influential a majority in Parliament, and as they assert throughout the country—though I very much doubt it—

to persist in this error of theirs. It reminds me strongly of the position of that celebrated man, the first Napoleon, at Moscow. There, as we know, after the burning of that city, he was urged by his experienced counsellers and gallant generals to retreat and winter in Poland, but he would not listen to their advice. Thus he replied to their expostulations :—

> "A retreat will appear a flight. I know well that Moscow as a military position is worth nothing, but as a political position it is of immense value. In politics you must never retrace your steps; if you have committed a fault you must never show that you are conscious of it. Error steadily adhered to becomes a virtue in the eyes of posterity."

Such is the position the Government have taken. They have committed the error of concealing this contract from the country until the meeting of Parliament. I desire now to make some remarks on a feature of this scheme which, though it is perhaps likely to be less apparent now than it may be hereafter, is still one of very great importance. I allude to the gigantic monopoly which this Bill requires Parliament to establish in the North-West Territory, British Columbia and Manitoba. It is hard to define beforehand precisely what the effects of a monopoly would be. Circumstances often arise which we cannot anticipate; if we could anticipate them we should act very differently. A great monopoly such as this seems to resemble one of those malarias which we know affect some countries and their inhabitants. It spreads over a country, and affects the health and appearance of its population. Any one who has ever seen a district subject to malaria can judge of its appalling effects. We have now an opportunity of exercising some control over the future of the North-West. But if we abandon this opportunity of guarding the interests of our country in the future, how can we hope to recover our influence? Only by the strongest expression, on the part of the people generally, that such a monopoly should come to an end. Through what vicissitudes must a country pass before the people come to such a resolve as that; I may perhaps show you, from incidents which are occurring on the other side of the international line, some of the evils which the Americans have suffered from monopolies similar to this we are asked to establish. Not long since, about the month of November last, a well known English statesman, Mr. Caird, on the occasion of making an inaugural address — he was President of the Statistical Society — stated some singular facts in regard to American railways—facts well worth reproducing here, and commenting on. They show that the British Canadian has no reason to despair of the future of his North-West Territories, and in that feeling I myself coincide. I have spoken many times in this House, and I do not believe I ever expressed a sentiment opposed to that view. I may have objected, and may, perhaps, still object, to embarrassing the finances of this country by plunging deeper into works of construction than our resources warrant; but, for all that, I think I may say confidently that I have never expressed a sentiment opposed to my present conviction as to the future of our North-West. Mr. Caird's statement was that, in 1868, 31,000,000 tons of grain were carried from west to east in the United States, and in 1879, 72,000,000 tons; or, the quantity had more than doubled in 11 years. He also stated this increase was accompanied by a reduction of the cost of transportation of nearly one-half on that immense quantity of grain. He says:

> "One half-penny per ton per mile is now the average railway charge, and this will be further reduced by the competition of water carriage. A barrel of flour and a barrel of beef or pork, 500 lbs. in weight. can be transported from Chicago to Liverpool, at a cost little more than two days wages of an artisan, or four days wages of a laborer."

But you will observe that, by the establishing of a gigantic monopoly of the kind proposed by this bill, you will, to a great extent, cut the country off from the prospect of reduced charges. Under its provisions, I believe the only means of reducing the charges, will be by proving that the earnings of the company exceed ten per cent. on their capital; and even that provision is obscure as it stands. I believe it depends to some exent, on some future amendment to be passed this session, and applied to some existing law. But, to pursue this subject, a few day later, after these remarks of Mr. Caird's appeared in the *Times* newspaper, they were answered by another writer, evidently an Englishman, but well acquainted with America and American laws; and of such importance did the editor consider this letter, that he gave it a place in his money article. This person, commenting on Mr. Caird's statement, says: —

"Mr. Caird must have forgotten the granger agitation of some years ago, and the Potter law of the Western States—a law so stringent that the railway companies indignantly repudiated it, and appealed to the Supreme Court of Wisconsin, but only to be defeated, and told that as public highways they should be amenable to the legislature of the State; and the carriage of the case to the Supreme Court of the United States finally established the previous decision. At the present time, in nineteen States of the Union, Railroad Commissioners have been appointed, and the auditor of Pacific Railway accounts is armed with full power and authority to enquire into the financial and physical condition, and into every detail of the working of all the lines north, south and west of the Missouri, to whom land grants have been given by the Government. In some States there is one Commissioner, and in others a body of three Commissioners. Not only are they armed with authority to enquire into the construction, equipment and condition of the lines, to collect complete information as to the financing and every detail of the working operations, but upon a complaint from any individual, or number of individuals, or corporate bodies, regarding irregularities, overcharges, or preferential rates, even if conveyed on a postal card, they are required to make searching enquiry,and if the companies refuse to accept their ruling, the complainant has the judicial authority ready to enforce it."

Now, hon. gentlemen, you see to what point the American railways have been brought in consequence of the difficulties which the people of those States labored under in consequence of the monopolies the companies had obtained. They have had a struggle of which I have just read to you the result. Now we have an opportunity, if we avail ourselves of it, of preventing such struggles in the North-West by making such provision as will prevent that monopoly from being a permanent one. I shall proceed to quote a description of the Massachusetts law, by Mr. Adams, ten years Chairman of the Massachusetts Board, which I shall quote for the purpose of demonstrating the necessity of adopting timely precautions against the evils of monopoly in our own North-West, and of showing the difficulties under which other States adjoining ours have labored in their efforts to set themselves free. He says:

"The line of policy thus happily initiated was carefully pursued. New and wider powers were, year by year, conferred upon the Board, but always in the same direction—powers to investigate and report. In 1876 this policy reached its final result, as the Legislature then placed the entire system of accounts under the direct supervision of the Board. Its power in this respect was unlimited—it went to the root of the matter. It opened to light all the dark places. The indisputable fact was recognized that those corporations are so large and so powerful, and so far removed from the owners of their securities, and the community is so deeply concerned in their doings and condition, that the law making power has a right, and is in duty bound, to insist on that publicity as respects their affairs, without which abuses cannot be guarded against."

Now, such is the experience of certain parties in the United States with reference to their railways. Those extracts which I have troubled you with, show the vast increase that has taken place in railway traffic, and I do not despair of witnessing in our own country a similar increase of traffic; perhaps sufficient to render our roads instead of being a burden, profitable undertakings. But, so much has been said with reference to the Union Pacific Railroad, which is the standard which has been adopted for our own railway, that I feel compelled to tax your patience a little further by reading an independent description of that road — a description widely different from that with which the House was favored by the Postmaster General in introducing this Bill. It was, I think, of a date considerably more remote than that I am about to draw your attention to, and was certainly far more in favor of the Union Pacific Railroad than that I am about to read. But my description has this advantage, that it is quite recent, scarce a fortnight old, and emanates from a body situated in pretty much the same position as we are ourselves — in fact it originates from the Legislature of Colorado. That Legislature agreed to this joint memorial to be addressed to both Houses of Congress; not having themselves sufficient power to operate upon that powerful monopoly, they found it desirable to adopt a memorial to Congress; and I wish hon. gentlemen to notice this fact, that, as time proceeds, it seems certain that this Dominion will establish in the North-West other provinces which may be placed in precisely the same situation in which Colorado finds herself now. They may find themselves, years hence, ground under the heel of the gigantic monopoly which this Bill proposes to establish; and I raise my voice to-night to warn the House against establishing any such monopoly. I shall read the memorial of the Legislature of Colorado against a similar monopoly, and this one, the same which has been adopted as the standard of our own road. The memorial is as follows :—

"A JOINT MEMORIAL AIMED AT THE UNION PACIFIC.

"To the Honorable the Senate and House of Representatives in Congress assembled:

"Your memorialists, the General Assembly of the State of Colorado, most respectfully represent:

"That the rates of fare for the transportation of passengers, and the tariff for freights transported over the railroads to and from without this State, have been for a long time a great burden to our people and a hindrance to their prosperity.

"That the Union Pacific Railroad Company, subsidized by the nation in money and lands, and its branches, partly subsidized in lands and partly in money, all of which were of greater value than the entire cost of construction and equipment of said road and branches, have, through their agents, collected from our people, unreasonable rates of fares and freights for the carrying of persons and property over its lines of roads within this State and to and from without the same.

"The influence and power of this great corporation, now consolidated with its branches, both over our people and their business, needs the correcting hand of the general government, for the reason that the States are incompetent to control it. Its vast income of twenty-five millions of dollars for the past year, attests, not the immense business of its lines, but the unconscionable rate by which it has plundered its customers; loaded with liens upon its lines twice the cost of its construction and equipment, its stock mounting high up in the millions, water from the first to the last dollar of its issue, bears in the open market such a high premium as demonstrates how the greedy management have pillaged the public. Built with the means provided by the Government, but under the disreputable auspices of the 'Credit Mobilier,' its history from that day to this has not disclosed any higher decency of management than that which disgraced the time of its construction.

"That its management for a long period of time has been scandalized by persistent and repeated extortion; that money, in multitudes of cases, has been demanded and collected for more freight, knowingly, than was carried over its lines of road; that persons inspiring and requiring these exactions from its local agents are non-resident, and beyond the clutches of the law of this State for their criminal rapacity; that appeals for relief have been required to be remitted to a distant city in another State for hearing, and tardily or never adjusted; that from places beyond the State, without competition, unreasonable freights have been and are now demanded, so as to stop the traffic, except at famine prices; that no redress can be had, except by litigation with a powerful corporation, which overawes its customers with the dread of the destruction of their business by unjust discriminations in freights, should they not submit to its illegal exactions.

"Having no adequate redress, except by the Congress of the United States, your memorialists therefore pray your honorable body to enact such laws as shall correct the evils complained of, by the regulation of the commerce of this and all other railroads among the several States, in the interests of the people, for whose convenience and advantage, primarily, these corporations were created and enfranchised; be it therefore

"Resolved, That our Senators and representatives in Congress be, and they are hereby, requested to use all proper efforts to have such laws enacted as will regulate the commerce of railroads among the several States for the benefit of the public;

"That the Secretary of State be requested to forward a copy of this memorial and resolution to our Senators and representatives in Congress."

Now, hon. gentlemen, you will perceive that this is not drawn from the archives of the past; it is scarcely a fortnight old. It has been adopted by the Colorado Legislature within the past fourteen days.

Hon. Mr. VIDAL — I thought that it was only as to the character of the road that allusion was made — that it had nothing to do with the management of it.

Hon. Mr. HAYTHORNE — As I said just now, it is almost impossible for me to foretell in what way the shoe of monopoly will pinch the feet of our successors. I only pointed out several ways in which this very railway has been acting as a most injurious monopoly upon the people of the States through which it passes. I pointed also to the fact of the enormous difficulty they have experienced in shaking off the incubus of that monopoly; and will this House, in view of the facts I have laid before them to-night, blindly and rashly agree to establish such a monopoly as that? All I can say is that I, for one, shall do my duty in attempting to prevent it. I will now call the attention of this House to a much older monopoly than that to which I have just referred — a monopoly which was in force during two centuries and a half, and which has, within our own time, been brought to a conclusion. It is true that the Company to which I refer possessed a water route. Nevertheless, it does not invalidate my argument because the monopoly of a route by sea is just as injurious as a monopoly by land — I allude to the East India Company. That Company was established by Queen Elizabeth, in 1600; its charter was first granted by the Crown for the short period of 15 years. Its existence, however, extended over 254 years — an existence varied by many extraordinary vicissitudes. But one important feature of that company's history (not to weary the House with details) was the fact which we should take for our guidance on this occasion — that it had to come to the Crown — or to Parliament, in later years, when the power of Parliament was more thoroughly developed — it had to come at least eleven different times for alterations and confirmations of its charter, thus establishing the fact that, even in those remote times, rulers were fully alive to the great danger of establishing an unalterable, gigantic monopoly; and yet, notwithstanding that, such was the influence that the East India Company obtained in the course of English history, that they were almost invariably able to create such a party in their favor in Parliament as to secure for themselves favorable terms at each renewal of their charter. Twice in the course ot their history they were threatened by rival interests. Rival companies sought to establish a footing but in the same way that we have seen telegraph companies act in our own time and in our own country, the rival companies solved their difficulties by amalgamating. But, during later periods, we find that at almost every renewal of their charter, some of their privileges were cut off. Coming down to a later period, and within my own recollection, the trade of the East Indies was opened to all. That was fraught with the most important results to our shipping interests. From that time dates the improvement in the shipping of Great Britain. The opening of the China trade must be within the memory of many who hear me. I can recollect the very superior class of vessels to which the opening of that trade gave employment. But, whereas the East India Company was compelled throughout its whole history to have recourse to Parliament at short intervals for renewal or extension of their powers, this great company, which it is now proposed to incorporate, is not required to do the same thing. Why should it not come periodically to Parliament, and ask for a renewal of its charter. That, I think, is a most rational question to ask. If that company should come to Parliament, and say it had built a good road and run it successfully, and done all that was required of it by this charter, why should we refuse to renew that charter? But in case of abuse — and I may say that members of Parliament charged with the protection of the interests of others, should especially guard against the possibility of abuse — by the company in possession of these powers, to my mind it is far preferable that a company should meet with some inconvenience — even meet with some injustice — rather than that the interests of the public should in any way suffer. Great diversity of opinion has been expressed in this House and elsewhere as to the value of the lands which it is proposed to alienate. The Hon. Postmaster-General in his address, I believe, valued the lands at a dollar an acre. They have been valued at various rates, but it seems to me that in valuing them so low as a dollar an acre, we have been illustrating the statement I made in the earlier part of my address, that the Government were looking at everything that made against Canada, and looking at nothing that made in its favor. Now, surely, looking around at events that are transpiring in other parts of the world, we ought to take a more hopeful view of the value of the lands we possess in the North-West. We know, within the last year or two, a cry came from the over-peopled countries of Europe, similar to the cry which was heard thousands of years ago in the East, "Go and buy us a little food." This is what was said during the famine period of Europe a year or two ago. To what country did they look for the supply? They did not look to the old source — the Baltic and the Mediterranean — but to America and the new prairie country; and if the historical clock had only gone a few years faster, and our prairies had been in a productive state, we might also have contributed towards the wants of Europe. I blame no one that they were not so. It was impossible, during that period of depression, to proceed with the construction of that road, but the cry which was heard a year or two ago is continuous. The cry is still after food, and it follows in the natural cause that we should exert ourselves to the fullest extent to meet the demand which has sprung up. But that demand must have the effect of enhancing the value of those fertile lands of ours in the North-West. Therefore, to put them at a price which might have been a correct figure ten years ago, when the Allan contract was signed, would be altogether an inadequate price at the present day. We must look, in valuing those lands, at our own action within these last few years. We must regard the trouble and expense we have gone to to open up those territories — not merely by means of surveys, but by giving access to them through our own territory. So far as the surveys have gone, I would call attention to a map illustrative of the Chief Engineer's report of last year, in which the tracks of surveying or exploring parties are delineated, and from which it appears that that vast region had been traversed in almost every possible direction. It shows the efforts which had been made to ascertain the quality of our lands in the great North-West, and it shows the area and value of them is much larger than had been anticipated. We, too, have gone to a very heavy expense in penetrating that rocky, barren region which intervenes between Lake Superior and Winnipeg. That line also, of course, being in a state of forwardness, probably ready to open some time in the year 1882, must add greatly to the value of the lands in the prairie region. We have acted in that way just as we may say the owner of a coal property might have acted. A company, we will say, possesses a valuable deposit of coal, which, until it is reached by means of a shaft, is absolutely valueless. In a position somewhat similar are our fertile regions in the North-West; but, as in the case of the coal mine, the prosecution of the work of sinking the shaft continues the nearer you approach the coal the greater its value becomes, in the same way, the nearer we approach the completion of our approaches to the fertile North-West, the more valuable must those lands become. And, besides that, we must not lose sight of the fact that public attention throughout the world has been drawn very much to that region. Very competent and skilful agriculturists from Europe have witnessed the growth of crops in that country, and have been enabled to form their own judgment as to the fertility of the soil. I, myself, have not enjoyed the great advantage of seeing it with my own eyes, but I have read a great deal on the subject, and have, I hope, learned something as to its value and capabilities; and I must say, both from what I have read and what I have heard, I am strongly impressed with the great value and fertility of that country. It does seem to me in valuing that land at one dollar an acre, a great mistake has been made. That Ministers of the Crown should rise in this House, and give it as their conviction that one dollar an acre is a reasonable price for that land, has a tendency, I think, to depreciate its value in the eyes of the world.

Hon. Mr. AIKINS — The statement of the hon. Postmaster General was not that the land was worth one dollar an acre, but, for the purpose of comparison, he took that as a basis of calculation.

Hon. Mr. HAYTHORNE — The hon. gentleman thinks proper to qualify his colleague's statement; the statement, I thought, was made without qualification. That was my impression, certainly. The statement has certainly been made elsewhere on behalf of the Government, in their efforts to depreciate the offer which they are making to the Syndicate, and to make it appear as low as possible.

Hon. Mr. KAULBACH — Last year the Opposition said it was worth nothing.

Hon. Mr. HAYTHORNE — It does not matter what the Opposition said it was worth last year. They are not chargeable with the affairs of the country, and I, for one, do not undertake to defend what others may have said the land was worth. It is said that a wise man will alter his opinion, but an unwise man never. Supposing the Opposition have altered their opinion, they are acting like wise men. But, though I could confirm my opinion as to the value of those lands by quoting prices obtained in the vicinity of American lines, I perfer to bring before this House proof which is not easily contested for this reason; the statement to which I am now about to call the attention of the House is a statement made as to lands within our own territory, and it is made by an authority which I think neither the Secretary of State nor the hon. gentleman opposite who has just interrupted me will undertake to challenge. The statement is as to the sales of land belonging to the Hudson's Bay Company in Manitoba, and the North-West Territories. It is made by the Governor of the Company, at a meeting of the Company held at their Chambers in London so recently as the month of November last. I will read the words of Sir Eden Colville, in addressing the members of the Company at that meeting, and I think the statement cannot be questioned. He said that they had sold 443 lots in Winnipeg, covering 88 acres, and realized £5,500 sterling. They had also sold lots at West Lynne and other sections, which realized £2,300 sterling. Now, what do you suppose these lands were purchased for? I presume they were purchased by men of business for purposes of business — purchased by men who evidently regarded the prospects of the North-West as favorable. But I come to the rate at which farm lands had been sold by the Company during the past year. He (the Governor of the Company) said that of farming lands they had disposed of 27,500 acres, realizing £30,000 sterling. That may be assumed as a fair estimate of the value of our lands such as the Syndicate will be allowed to select for themselves in the North-West—such as they will receive in alternate blocks in the North-West from the Government. There is another view to be taken of those land sales; it is this: The hon. Postmaster-General stated, in his address in introducing this measure, that the privileges contained in the charter were all, comparatively, of little value. I forget the exact amount he estimated them at, and amongst those he regarded as trifling was freedom from taxation. I would ask hon. gentlemen to consider the effect of that exemption on property belonging to the Syndicate situated in or near these towns and villages to which I have just drawn your attention. Consider what the effect on a village settlement would be of the Syndicate being allowed to hold lands free of taxation in the best and most eligible sites for business in the North-West. The effect must evidently be that their lands, being free from taxation, can be held by them for years for a rise, or let them on lease, and they will thus interfere with the prospects of rising towns and villages. To my mind, nothing can be more clear than that the Company, in justice to the settlers in that new region, should not have their lands or property exempted from taxation. But I have another recent instance of the value of lands not in our own country but over the border. This, also, is from an independent source — from a source which, perhaps, is not so decisive as regards the value of lands in our own territory as the one to which I have just alluded, but still one of importance, because it shows what the *bona fide* value of lands situated in countries similar to our own is. Now, so lately as the commencement of the present year, January 2, 1881, I find it stated by the New York correspondent of the London *Times* that the United States Government had completed its negotiations with the Sioux Indians, whereby the Indians granted right of way through their reservation for two railways — the Chicago and North-Western, and the Chicago, Milwaukee and Central lines, and the Indians for that right of way are to receive five dollars for every acre of land taken by the railways. Now, I think those two quotations of the value of land similar to our own in character — in fact, in the Hudson's Bay Company's case, their lands being intermixed with our own, are very conclusive as to the real present value of lands in the North-West. It does not, of course, follow that lands at a distance from the railway would be worth as high a price as that, but it does follow that a large portion of the lands we are about to alienate to this Company are really worth five dollars per acre at the present time. But let us now consider the manner in which these lands are to be alienated. It is, of course, a far less important question, but still it is one which, I think, ought to receive attention; it is one which affects the prosperity of new settlers very particularly, and anyone who, like myself, has spent a large portion of his life in the reclaiming of lands and knows what it is to be surrounded by a settlement of kindly neighbors, must thoroughly appreciate the advantage of having settled lands on each side of him. I know very well that the hon. the Postmaster General anticipates that those lands belonging to the Company will be settled probably as soon as the Government lands. That may be his impression. He is quite right in entertaining it and expressing it if he thinks so, but others may entertain a different view. My view is that if this Bill should pass this House and become law, that the Company will act pretty much as suggested by my hon. friend the ex-Secretary of State, in his speech this afternoon — that they will operate financially in the way he suggested, and that they may probably hold their land for an increase of value. If I have understood properly the system on which the lands are to be alienated, it is open to many grave objections. The alternate blocks of one square mile seem to me to be incompatible with convenient settlement. In the province from which I come, we were for many years grievously distressed by a land monopoly, I was going to say even worse than this we are proposing to establish by this Bill, but there were one or two redeeming features connected with that system. One was that our proprietors took very good care to lay off their settlements for the convenience of the inhabitants. The farms were laid out in parallel lines, and access was generally given to them by convenient roads. In the first place the proprietors had to make main roads themselves, but subsequently the Legislature made good highways and cross roads so that few parts of the Dominion are better accommodated with roads than the Province of Prince Edward Island. But those farms occupy the whole area and are rendered accessible by the roads passing in front of them. But if I understand the scheme of the Government, it is intended that these even numbered 640 acre blocks be devoted to free grants and pre-emption settlers, whether the Company have succeeded in disposing of their own lands or not. I observe that the figuring of the alternate blocks can be conducted in two or three different ways. My impression is that, according to the Government plan, the even numbered alternate blocks are to meet at the angles. There is, however, a system of numbering those blocks, which will cause them to lie in parallel lines, and the objection would be rather less in the latter than in the former case. In the former they would have the effect of separating the cleared farms from each other, supposing that the company's blocks remained unoccupied. I take it that a farm of 160 acres in one of those blocks would be 20 chains frontage by 80 chains deep, and it would abut front and back on the Company's lands. The side lines of the outside farms in each even numbered block would also run alongside of the Company's lands, and the consequence would be great inconvenience as to fences. I have heard it stated that the settler would gain by such an arrangement, that pasturage on the unoccupied Company's lots would be exceedingly valuable. But those who speak in that way probably forget that the use of those vacant lands as pasturage implies the necessity of fencing those side lines, or herding the cattle, an expensive and dangerous arrangement — an unfavorable one in any case to the settler. It seems to me the arrangement under the Allan contract, and that proposed under the Act of 1874, are both of them preferable to the one that is now adopted by the Government, in the interest of the settlers. However, like everything else connected with this Bill, I suppose the arrangement is past re-calling.

Hon. Mr. MILLER — Would not the duty of fencing devolve on the Company, who own the lots?

Hon. Mr. HAYTHORNE — That is a question of means. The Company are not liable to taxes, and a settler has a poor chance in defending his rights against a powerful company. That point to which the hon. gentleman has called attention, illustrates the dangers of a vast monopoly like this. How is an isolated settler, or a few isolated settlers to contend with a wealthy company like this?

Hon Mr. MACDONALD — In Nebraska and Dakota there are no fences. For hundreds of miles, you will see fields of grain and no fences.

Hon. Mr. HAYTHORNE — Supposing a man has land under the plough, and next to him is a company's lot overrun by cattle. If these lands were owned by a farmer like himself they would probably have a mutual arrangement, or a local law would compel each man to perform his share of the line fence. It is a very common and natural arrangement, and if cattle are allowed to run at large, it must be clear that the land under cultivation must be fenced or the cattle must be herded. Another point connected with this question of land is the great advantage it gives the Company over settlers. We may fairly assume that many of the occupiers of these 160 acres lots are farmers whose lots have been acquired by pre-emption, and in the course of time as they prosper by their industry, and as their families grow up about them they may desire to enlarge their bounds. The Company sits by with apparent indifference, but not really disinterested. They own the adjoining land and they know very well that, as the farmer's prosperity increases, he must have their land at their own price. It is impossible to anticipate all the evils that the monopoly may give rise to, but this is one that we may reasonably expect to occur, and it might be met by rendering the lands of the Company subject to taxation. That was the other point to which I alluded just now — the second redeeming feature in the land monopoly of our own province. Here the unoccupied lands were taxed at a higher rate than the cultivated lands of the tenants, and, where a man held a large area to speculate on the enhanced value it would acquire by the enterprise and industry of his neighbors, he was obliged to submit to such taxation as rendered his speculation one of doubtful profit. The same result would occur in the North-West if the Government had not rendered the land exempt from taxation there. But so it is, hon. gentlemen, and, when you establish a company of such vast resources and influence as this Syndicate must, in all probability, possess, they will set all the ordinary powers of the constitution at defiance — even the very Government that establishes them they will soon learn to treat with contempt. They will say "we hold the fate of this Government in our hands." Perhaps at some future election they will give the Government to understand that if they trouble the Syndicate with any remarks as to the non-performance of their engagements, the influence of the Company will be thrown into the opposite scale at the coming election, and in that way the influence of this great corporation may be brought to bear upon Governments, and, perhaps, to some extent, upon Parliament. The task, which would be easy for us now, of rejecting this proposal or causing it to be brought forward in a qualified shape, would become one of enormous difficulty hereafter. Only the united expression of public opinion against such a body, from one end of the Dominion to the other, would enable Parliament to take hold of such a grievance as that and abolish it by force, of course giving the Company remuneration for their outlay and for their interests. I hope yet that this House may be induced to adopt a resolution affirming that principle, and that some means may be taken which will render them in the future amenable to Parliament. There are many points of this measure which I might allude to, but I find that my voice fails me; I shall, therefore, be brief. There are some things connected with the future of our North-West of so much importance that I cannot refrain from offering a few remarks. For instance, there is one important event that is soon to take place on this continent which cannot fail to affect the interests of British Columbia particularly in the most important manner. I allude to the prospect of the construction of the Panama Canal. We have seen the enormous results in Europe that have followed the successful opening by De-

Lesseps of the Suez Canal. By that canal the distance between the English Channel and Calcutta was reduced by five thousand miles; and in like manner the distance from New York to Calcutta was reduced by a similar distance. In my opinion still greater results will follow the construction of the proposed canal across the Isthmus of Panama. We know that the scheme has been successfully floated, the capital has been found, and the difficulties which existed with the United States have been overcome. One can hardly conceive the great advantages which western America will reap from the completion of that bold undertaking. I have been accustomed to think of the Pacific Railway as a road which would bring its traffic from the North-West eastward, and in the opposite direction its freight would be comparatively light; but I can imagine when this canal is constructed it will prove to be the route that will be taken by the produce of the western prairies and eastern slopes of the Rocky Mountains to Europe. I think this canal will exercise a most important influence for good on the future of British Columbia and upon our Pacific Railway. It is one of the features which ought to convince us of the improved prospects of our undertaking, and should add additional value to the lands we possess in that region. I have said before I have never despaired of the future of our new territories. It seems to me that in advance of the plough we shall find pastoral pursuits will occupy the attention of the people who may settle on the well watered region at the foot of the Rocky Mountains, and that fine grazing country so recently covered with herds of buffalos will, in the near future, be occupied by herds of cattle. I think it is quite within the prospect of those who may live ten or fifteen years longer to see those plains occupied by the short-horned descendants of the celebrated herd of the hon. member from Compton. Looking at the whole features of this contract; looking at the vast interests present and future which are indentified with it, I think it becomes this House to consider its position—its immunity from the influences that affect other legislative bodies—possessed as we are of irresponsible power, it is our duty to step in upon an important crisis like this, and by resisting the progress of hasty, ill-judged, and imprudent legislation to give one more opportunity to the people of passing an opinion upon it. This, I take it, is the proper role of the Senate of Canada. Much of our time, hon. gentlemen, is occupied in, I was going to say, unprofitable routine; it may be so. There may be many things which if we keep on our premises may not be of daily use, but may at times prove to be of enormous value. Such is the case with this body; we seldom resist legislation coming from the other House; but I think occasions may arise, and on this occasion one has arisen, when it is necessary for the Senate to exercise its privilege without fear and without favor. I appeal to this House now; I pray and beseech this House to take time on this occasion, and to give the people an opportunity of further expressing their opinion upon this contract. It may be, hon. gentlemen, that those parties who have thus rushed forward this measure, without the knowledge and approval of the people, may yet repent of their rashness and the time that ever they forced this great measure so hastily through the Canadian Parliament.

Hon. Mr. HOWLAN moved the adjournment of the debate.

The motion was agreed to.

MONTREAL BOARD OF TRADE AND EXCHANGE BILL.

SECOND READING.

Hon. Mr. RYAN moved the second reading of Bill (J) "An Act to Incorporate the Montreal Board of Trade and Corn Exchange." He said: The object of this Bill is to amalgamate two mercantile institutions existing in the City of Montreal. The Montreal Board of Trade has been before this House and the Legislature very frequently, and its position is known. The Montreal Corn Exchange is an association which has also made itself very useful in carrying on the grain trade of this country. I think there is nothing in this Bill really to explain beyond what I have said; the object is to unite those two bodies into one, that they may have reading-rooms and places of meeting in one building and under one auspices, and it is to continue to each of the bodies the powers which they at present hold under their original charter.

The motion was agreed to, and the Bill read a second time.

VILLE MARIE BANK BILL.

SECOND READING.

Hon. Mr. TRUDEL moved the second reading of Bill (I) "An Act respecting La Banque Ville Marie." He said: The main features of this Bill ask for a reduction of the capital of the Bank from $1,000,000 to $500,000, and the repeal of the Act passed last session by this Parliament, entitled "An Act to provide for the winding up the affairs of La Banque Ville Marie." It is necessary that I should say briefly the circumstances under which the Bank comes once more to seek for legislation. When this Bill was asked for last year, it was not precisely under a petition of the majority of the shareholders of the Bank at that time. It was then under some difficulty, but the directors had no desire to liquidate. An important institution provided means for meeting its liabilities on condition that liquidation should take place; but since the Bill was passed the bank met its obligations with such ease that the institution which had made as a condition that liquidation should take place, was the first to express the opinion that the bank should go on with its business. Still, as the Bill was passed providing for the liquidation, a meeting was called for the purpose of electing liquidators. At this meeting the regular proposition to appoint liquidators was made, but the shareholders, instead of electing liquidators, adopted as an amendment that the bank should go on with the business. This amendment was carried by a large majority of the shareholders, so that the position of the directors was this; that they had to resume business since the appointment of liquidators was refused. Afterwards, they called another meeting, at which the question of going on with the business was put, and it was carried almost unanimously. This last general meeting was held on the 15th of January

Notice had been given to the shareholders and to the public that the question of liquidation would be again submitted to the shareholders. This was the general annual meeting, called for the re-election of the directors, and an additional notice was given that, after the general meeting, the assembly would constitute itself into a special general meeting, in order to examine the question of liquidation. Of course there was some opposition. I will not explain the circumstances of that opposition, but, strange to say, the man whom my hon. friend on the Opposition side represents, and who is the only man, had been the first to sign the petition asking for this Bill. I call the attention of the hon. gentleman to it, because it is an important feature that the first name on the petition for this Bill is the name of the hon. gentleman who opposes it. A few weeks before, this gentleman had issued a circular to the shareholders, in which he said very clearly that it was in the interest of the bank to go on with the business and not to liquidate. At the time of this circular, this gentleman had 600 shares in the bank; he sold his stock, retaining only thirty shares, or $3,000, and now that he has reduced his interest in the bank, he pretends to dictate to the majority of the shareholders. This gentleman, who belonged to the board last year, came with the avowed purpose of forcing his opinions upon the shareholders as to the liquidation of the bank. The whole board was elected by a vote of more than 2,800, defeating this gentleman, who had only 98 votes in his favor; that is, a number of votes about equal to that which he represented either by his shares or by proxies, showing that he is practically the only man who voted for the proposition to liquidate. Not content with this defeat, at the special meeting which took place, after the question of liquidation was put, another vote was taken, and he was again defeated on three consecutive votes; first on the vote to go on with the business of the bank, the second deciding to reduce the capital, and third to authorize the petition for this present Bill, and on each of said three votes about the same majority was against him. Now that petition against this Bill is accompanied by a special report to the effect that the bank is not in a position to do any business because of its debts. If the House will refer to the printed statement submitted to the Government, it will be seen that the liabilities of this bank are such liabilities as no bank doing business can avoid. They are, first, circulation of notes $53,000, and any bank that does business cannot do without a certain amount of circulation, and this is a very moderate one; second, deposits on demand, without interest, $72,000.

Hon. Sir ALEX. CAMPBELL suggested that the details could be inquired into before the Committee.

Hon. Mr. BELLEROSE — I would not have taken the time of the House at this stage of the Bill if I had not been requested to oppose the principle of it, and, therefore, I am obliged to say a few words on the second reading. The House will remember about nine months ago (last session) an almost unanimous petition from the shareholders of the Bank Ville Marie was presented in this House, and a Bill was introduced in which we find the following preamble:

> "Whereas La Banque Ville Marie, has by its petition represented that it has met with great losses, after which it had to suspend its regular banking business, particularly the discounting of bills and notes, although not in a state of insolvency, and that it is the frequently-expressed wish of a great number of its shareholders that its affairs should be wound up; and whereas the said bank has by its petition prayed to be authorized to that effect."

Now, this Parliament granted the prayer of the petitioners last session, and gave them the right to go into liquidation. This year we have another Bill, in the preamble of which I read that they now desire to repeal that Act, and get the right to reduce their capital stock by fifty per cent. with power to augment it by fifty per cent. again. Now, this shows the bank is in such a position that it cannot work. The shareholders thought fit to appoint a committee of five gentlemen who understood the question thoroughly, and that committee has reported officially recommending the shareholders in view of the present position of the bank, to go into liquidation with the least expense possible.

Hon. Mr. TRUDEL — What is the date of the report?

Hon. Mr. BELLEROSE — The 16th December, 1879—about fourteen months ago. This was the report at that time, but the petition and the special report presented some few days ago to this hon. House, show that the Bank has not improved its position during the fourteen months which have since elapsed. This special report shows that the bank has nothing to guarantee the notes which it issues, and that they have to borrow every day at five and five and a half per cent., which they discount at seven, and make one and a half or two per cent. profit. The only assets which the company have now in its hands to pay its debts is $62,000 in notes and checks, the remainder of its assets being in discounted notes which could not be realized for months, except at a great loss to the institution. The authorized capital of the bank was $1,000,000, $918,000 of which was paid up, but a part of that stock was taken back by the company, while another part was never paid, so that at the present there is $400,000 of unpaid stock, leaving $600,000 of paid up capital.

Hon. Mr. TRUDEL — That is a great mistake.

Hon. Mr. BELLEROSE — This $600,000 forms part of the liabilities of the shareholders, and they have besides liabilities of the bank to the amount of $352,722, making the total liabilities $952,722. That is the present liability of the bank, including what is due to the shareholders. Now, let us look at the assets. Taking the valuation of properties made by the bank itself (it will be shown by-and-bye that that estimate is not a proper one — that the properties are not worth that much to-day); but, taking even that valuation, the assets do not reach over $641,028, leaving a deficit to-day of over $310,000, so that it shows a reduction of shares to the value of about 47 per cent. Even if we should grant the reduction of capital that they ask, their stock would not then be at par. Under the circumstances, the Government, having by the Act of last year a right to see into the working of those institutions and to protect the public, and having the right to ask for a special report from the directors of any bank, I believe they would be only doing their duty to demand a special report, showing the true position of this institution, in order to judge whether their prayer ought not to be refused, in the interests of the shareholders and of the public generally. My opposition to the Bill is in no way interested. I was asked by the late president and other shareholders to make this explanation, and oppose this Bill. As a public man and a member of this Senate I could not refuse to do so. I have stated the facts as I find them in a public document, but I cannot guarantee their accuracy, because I have not the books; but neither can the hon. Senator from De Sallaberry guarantee the statements which he has made; and that is why I think the Government, under the circumstances, should ask for a special report from the bank, so that when the Bill comes before the Committee, they can decide whether or not it is in the interests of the country at large to pass this measure.

Hon. Mr. TRUDEL — I would not have replied to the remarks of the hon. gentleman if some statements which have been made by him were not calculated to injure the institution and were going before the public. I am surprised that he should put before this House statements which exist only in the imagination of the gentleman who wrote him the letter from which he has quoted. The hon. gentleman says that he is not ready to guarantee his statements. I am in a better position. I am ready to guarantee, and I do guarantee, every statement that I have made, because I have taken them from the regular statement of the bank, made monthly according to law. The hon. gentleman says the bank is not able to pay its liabilities. I am now in a position to say that within twenty-four hours the bank is able to meet all its liabilities, and any person who looks at the figures in the report will say that it can. The hon. gentleman says the assets amount to only $900,000. This amount is the capital paid up by the shareholders, but the total assets are $1,286,000. The liabilities are as I stated before:

Circulation....................	$53,000
Deposits not bearing interest.......	72,000
Deposits bearing interest	193,000
Deposits from other banks.........	23,000
Balance due on the bank building .	5,000
And other engagements............	7,000

So that, apart from the regular deposits in the bank, the liabilities amount to only $7,000, and yet the hon. gentleman says that this bank has debts which it is not able to pay. Will the hon. gentleman preand to say that a bank will transact business and refuse deposits, often deposits which do not bear interest. That would be a foolish action. The hon. gentleman says that this bank has liabilities bearing interest and loans money at seven per cent. That is an error altogether, since the only liabilities of the bank are deposits which do not bear more than four or five per cent. interest. Of course, the proper time and place to discuss these matters would be when the Bill is before Committee, but I had to enter into the details in consequence of the opposition of my hon. friend. I reiterate that the best judges of the interests of the shareholders are the shareholders themselves. We cannot believe that those gentlemen are stupid enough to ask to go on with the business if it is not a safe one. The opponent of this Bill, and some of the people of his village, represent only $23,000 paid up capital, out of $933,000, so the House will see how small the interest is which is represented by this opposition. These men registered only 98 votes against 2,800 — the lowest among the five directors who were elected received more than 2,700. I do not see, therefore, how this House can, for a moment, refuse to pass the Bill. I might refer to the circular letter written by the Hon. Mr. Archambault, the opponent in this case, two months ago, in which he alleged in an indignant manner that some people were asking for liquidation, and showing very clearly that it was a great mistake, but I will not take the time of the House. I move the second reading.

Hon. Mr. BELLEROSE — The figures which I give are the figures which have been put before the House in a public document headed "Special Report of the President of Bank Ville Marie." So, although I stated that I would not guarantee the figures, I guarantee them as much as I can anything stated in a public document signed by an official. However, the matter will be considered in Committee. Let the Government do their work; let them ask for an answer to the different questions they have a right to put to such institutions, and the Committee may then judge what should be done.

Hon. Mr. TRUDEL — Since my hon. friend has referred again to the special report of Hon. Mr. Archambault, I will remark that this man did not possess the confidence of the shareholders sufficiently even to propose the adoption of his report. His figures are imaginary.

The Bill was read the second time.

The Senate adjourned at 11.10 p.m.

THE SENATE,

Tuesday, February 8th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

THE PACIFIC RAILWAY BILL.

THE DEBATE CONTINUED.

Hon. Mr. HOWLAN resumed the debate on the motion for the second reading of the Canadian Pacific Railway Bill, and the motion in amendment to postpone the second reading for three months. He said: Hon. gentlemen, the question now before this House and the country is one of the most important that has yet, or perhaps may ever come before this hon. House in the natural lifetime of any of those who to-day are within the reach of my voice. Although it might perhaps be more in order to pass the matter over as it has been handed to us by the popular branch of the Legislature, where it has had the benefit of some of the ablest political minds of this Dominion, together with the ever to be remembered echos of the fourth estate, giving as my reason therefor, that nothing new can now be said on the subject, yet I am not here to give a silent vote on this great and important question. With the liberty first obtained from hon. gentlemen, I should like to take a retrospective view of the position of this hon. body on this important question. We find ourselves to-day face to face with the stern realities, and hard learned facts which surround the settlement of this not inaptly named "Great lone land." To do this, it will be necessary to make somewhat of a digression from the current of thought which the foregoing remarks may have given rise to in the minds of the hon. gentlemen of this House. A few years ago the leading public men of the British North American Colonies conceived the idea of a closer political union under the fostering care of the British flag and constitutional government. It was true that this was considered a herculean task when it was first approached. There were difficulties of race, of language, of civil, domestic, local and religious rights to be cajoled, assisted, alienated, and combined, which I may say were finally arranged, settled on and satisfied, and the new ship, so to speak, was launched on the political sea. Like in many another storm, we have to mourn many of those brave and valiant hearts who then stood nobly at their posts, who have since sunk to rise no more, unless in that yet unwritten history of brave deeds and brave men. All new countries are grateful to the pioneers of constitutional liberty, and when some friendly pen writes the "History of our own times," the names of Cartier, Howe and McGee will be neither

"Unwept, unhonored nor unsung."

They did their duty nobly, and left us a common heritage, as a pledge that in our day we should be true to the trust which they reposed in us, that if living, they would have so generously assisted by their great ability and patriotism. Thus whilst some great nations of the world were awaking from their troubles, this young Dominion was ushered peaceably into existence amidst the peaceful salvos and heartfelt wishes of its people. It is true that at first there was some discontent, but this soon wore away under the good and prudent management of the Government of the day. So that to-day from the Atlantic to the Pacific, property and life are secure, and peace and good will prevail within our borders. After our new nationality had been ushered into life, it was found that lying north-west of us was what was, up to that time, known as the Hudson's Bay and North-West Territories, over which there was no greater law than that of the power which was usually known as the Hudson's Bay Company, but to the outside world it was a comparatively unknown land. Looking back over what in the present day may, for the sake of these remarks, be called the mediæval times, we cannot but pay a compliment *en passant* to the good management of that Company, who, according to the Rev. D. M. Gordon, in "Mountain and Prairie," were mainly indebted to "Scotchmen and Shanganappe" (to which he might have added the labors of the Christian missionaries, whose lives were spent in the great missions of charity and peace on earth and to men good will) for their success. West of this "unknown land" lay the colony known as British Columbia, which had a constitutional government. It was the desire of the Imperial, as well as of the Dominion Government, that this western country and British Columbia should be added to the Confederation. This was finally arranged, when the Province of Manitoba sprang into existence, whilst land enough remained to make twenty more such territories between it and the Pacific Ocean. To resume: Since then some thirty millions of the people's money have been spent in the purchase, acquisition and survey of this vast North-West, so as to give as much information as possible to the Government in dealing with this great question. By the terms of Union with British Columbia in May, 1871, the Dominion Government agreed to commence the construction of a railway from the Pacific towards the Rocky Mountains, within two years. In June, 1873, the terminus was fixed at Esquimalt, the British Columbia Government giving a twenty mile belt of land along the eastern coast of Vancouver Island for railway purposes. In May, 1874, the late Government, through their agent, Mr. Edgar, proposed to proceed with the work immediately in British Columbia. Differences then arose between both Governments, which resulted in the Carnarvon Terms, which were accepted as a settlement by the Governments of the Dominion and British Columbia. In the furtherance of this arrangement $6,250,000 was appropriated in March, 1875, part of which was expended on the now celebrated steel rails. Then came the general election in British Columbia of 1878, when a majority were elected pledged to "insist upon the Dominion carrying out the Carnarvon settlement or separation." That Province has now bound all its representatives to insist on the prosecution of the work within their borders during the present summer. I have thus briefly sketched the action of both Government parties of this Dominion with respect to the carrying out of this great work. But if anything were wanting to prove that it was their intention, all doubt must have been removed from the minds of the people of British Columbia when Lord Dufferin, in his speech at Government House, in Victoria, on September 20th, 1876, pledged his word for the good faith of the Dominion to British Columbia in the following impressive language:—"I would sooner cut my right hand off than utter a single word that I do not know to be absolute truth Every single item of the Carnarvon terms is at this moment in the course of fulfilment." The Province now distinctly states, "either carry out your terms or place us in the same position as that of Newfoundland when we can control our own revenue," which appears by official returns to have risen from $306,436 in 1874 to $517,261 in 1879. Now, it will appear from the foregoing that British Columbia has not received at the hands of the Dominion Government that treatment which she had a right to expect. The first essay to carry out those terms, was the contract familiarly known as the "Allan contract," which terminated disastrously, and passed into our local history as the "Pacific Scandal." I shall have occasion, before I sit down, of again referring to that contract. Then came a new Government to power, with a large majority who, from the very outset, gave no uncertain sound as to their intentions on this subject. In this House the leader of the late Government told us repeatedly what their intention was, and the people of this country were treated to spirited allusions to the "great water stretches." Referring to the Senate reports for 1875, on page 42, Mr. Scott said, "with regard to an all-rail line, he thought better to utilize the water stretches." Again, at page 647, "it was entirely in the interest of economy that the Government was prompted to oppose the gigantic enterprise of their predecessors. Those who had reported on it did not hesitate to say it would have been quite impossible to build this railway with thirty millions of money and fifty millions of acres of land." Again in 1876, at page 36, the hon. gentleman is reported to have said :—"When the present Government found that the scheme which the late Government had adopted was impracticable, they decided that they would do the next best thing and avail themselves of the stretches of water communication that were to be met with in crossing the continent, and by building portions of the road over the intervening distance, secure communication with British Columbia as early as possible." From these extracts it will be seen that the Government had looked on the building of the road as entirely impracticable, and was only going to use the "water stretches." How they were going to get freight and passengers over the "water stretches" in winter they never explained. Well-informed men saw that this was begging the question; that the terms with British Columbia must be carried out; that the faith of Canada and of her people was pledged to do so. Now, the hon. gentleman and his friends get up here and say that they always intended to build that road, and that they always knew it would be a paying affair. What were their views during the five years that they held power? We heard of nothing then but "gigantic humbugs," "mad schemes," and "water stretches." Although this country was pledged to the construction of that road, they told us that the scheme was ill-conceived, and if British Columbia insisted upon the fulfilment of our pledge, we should "let her go in peace." They might say the same thing to Prince Edward Island, New Brunswick or Nova Scotia if we insisted upon having the terms of union carried out. I may have occasion to protest that they have not been carried out in the case of Prince Edward Island, and am I to be told that because I come from a small Province we can "go in peace"? When Prince Edward Island entered the Confederation this gigantic enterprise had been undertaken. When the delegates from Prince Edward Island came to Ottawa to arrange the terms of union it was then contemplated that this great work was to be built, and we took good care that the amounts which Prince Edward Island was to receive, and which she receives to-day, should be based on the cost of this road among other things.

Hon. Mr. HAYTHORNE — Hear; hear!

Hon. Mr. HOWLAN — I am glad to hear the hon. gentleman say "hear, hear." He was one of the delegates who came here to make the terms of union, and this great railway entered into the question. Thereefore, we have nothing to complain of, as a people, at all. On the contrary, we should be doing an act of injustice were we, by our votes in this House or elsewhere, to set ourselves against the well understood wishes of the people of Canada. It was the policy of the late Government to denounce the proposition of their predecessors to construct the Pacific Railway by means of a subsidy of $30,000,000 and 50,000,000 acres of land. They said it was impracticable. Well, now we are getting it built for less money, no matter what value you put on the lands. The people of this country were told that it was impossible to run it; that the debts which would accumulate from the construction and operation of that road would, beyond doubt, land the country in bankruptcy. Now, what do we hear? They tell us that this Syndicate has got too great a bargain; that men of unblemished reputation who have accumulated money by the industry of a life time are ready to build it for less. They do not want water stretches or anything of that kind now. I remember in Prince Edward Island when we started to build the railway I had my hon. friend (Mr. Haythorne) and his party opposed to me. When we appealed to the country we were beaten; there was to be no railway.

But when my hon. friend and his party got into power they built sixty-five more miles of railway and gave more for it than our proposal involved.

Hon. Mr. HAYTHORNE — Did not the hon. gentleman and his party pass acts for the building of that railway?

Hon. Mr. HOWLAN — Yes, and it was the proudest day of my life when I did so. But the hon. gentleman had inscribed on his banners, "Down with the Railway," and the people believed that if he was elected the railway would be stopped, but when he got into power he not only built the road, but added more to it, too. That is what would take place here if we had a change of Government to-morrow. My hon. friend (Mr. Haythorne), when he addressed the House last night, said that he considered this scheme a rash and imprudent one.

Hon. Mr. HAYTHORNE — So it is.

Hon. Hr. HOWLAN — Yet the hon. gentleman said some years ago that the sooner the road was built the better.

Hon. Hr. HAYTHORNE — There is no inconsistency there.

Hon. Mr. HOWLAN — The hon. gentleman was right when he made that assertion, because we from Prince Edward Island, for the reasons which I have explained, have a right to support this measure. The delegates from Prince Edward Island who arranged our terms of Confederation took good care to count the cost of the building of the Pacific road, and our people enjoy the revenue to-day which came out of that calculation; and it would therefore be a manifest injustice on our part to do otherwise than build the road as rapidly as possible with the means at our disposal. My hon. friend, in the course of his remarks, said this was a rash proceeding; how can it be rash? We have had the press of Canada considering it; we have had surveys of the route; we have had the subject discussed on the platform, by the fireside, and in the press. No question has ever appeared before the Canadian public that has been so thoroughly discussed; no question has ever received so much attention; there is no question about which so much is to be learned as this; and how my hon. friend can say that it was a rash and imprudent course, I cannot understand. The next thing that seemed to trouble my hon. friend was the memorial of the Colorado Legislature about the Union Pacific road; that seemed to be — if I may use the expression — a Godsend to him. What is the remedy of the evils of which he speaks? The very quotation of that petition shows—the very existence of it shows plainly that the rates given to that Company were in a position to be discussed. But what is the remedy for it? The remedy always laid down by my hon. friend was to connect Eastern Canada with the Northern Pacific Railway. Now, I should like to know what is the difference between connecting with the Northern Pacific Railway and building the Canadian Pacific Railway? The next thing to which my hon. friend referred was the fact that the Government did not call their supporters together soon enough; they were called together too early, so far as I was concerned. The resolutions were discussed last year, and great power was given by both Houses of Parliament with regard to this particular question; perhaps greater powers than were ever before given to any Government. It was discussed in the press and otherwise, and it was well known throughout the summer months that the leader of the Government and some of his colleagues had gone to England, and what the object of his visit was. Almost the first thing he did when he returned to Canada was to declare the intention of the Government; that was publishing it to the world, and in fact every one in Canada that possessed any intelligence, or read the newspapers, knew what was contemplated. Then the meeting of Parliament was called, but, so that no mistake might be made about it, a paragraph is put in the Governor's speech explaining the object of calling Parliament together. That was advertising the matter sufficiently I should judge; but for fear there was not sufficient time we had a holiday, and my hon, friend took advantage of it to proceed to Prince Edward Island and wake up the old fires there;

but I do not know whether he has managed to satisfy the people of Prince Edward Island that they are going to be robbed on this occasion. I have seen some reference to this robbery of Prince Edward Island, and I am sometimes inclined to think that those who use the term are joking about it, and sometimes inclined to think that they are not well informed. My hon. friend said that the Government were not acting prudently with regard to amending this Bill. The hon. gentleman should remember that during the time he was administering the Government of Prince Edward Island he amended a revenue bill, but it is not often done. Now we come to the great question of monopoly. That seems to stick in the mind of my hon. friend. He forgets, however, that the predecessors of this Government proposed to give away some 50,000,000 acres of land. If 25,000,000 of acres will create a monopoly I should like to know what 50,000,000 of acres would do? Great stress was laid also upon the question of fencing, but I do not think there will be much difficulty on that score; but he seemed to think that a sort of political mania — or malaria, as he called it — had got into the people of Canada. It must be very widespread, but I doubt whether the hon. Senator from Prescott, with his new Bill, will be able to stop the disease; I think it will probably be more than his skill will be able to deal with. The next thing for this House and the country to consider is whether the Dominion is in a state to build this road. In looking over the trade returns for the past twelve years it is pleasant to notice, for the first time, that our imports have not exceeded our exports, as appears from the following table taken from the trade returns for the past year:—

"The total exports and imports for thirteen years were:—

	Total Exports.	Total Imports.
1868	$57,567,888	$73,459,644
1869	60,474,781	70,415,165
1870	73,573,490	74,814,339
1871	74,173,618	96,092,971
1872	83,650,663	111,430,527
1873	89,789,922	128,011,281
1874	89,351,928	128,213,582
1875	77,886,979	123,070,283
1876	80,966,435	93,210,346
1877	75,875,393	99,327,962
1878	79,323,667	93,081,787
1879	71,491,255	81,964,427
1880	87,911,458	86,489,747

The aggregate trade of the Dominion by countries is next given. The trade aggregate made with the United States in 1880 was $62,696,857, as against $70,904,720 in 1879, $73,637,000 in 1878, and $80,717,804 in 1875. The aggregate trade with Great Britain in 1880 was $30,307,286, as against $67,288,848 in 1879, $83,372,719 in 1878, and $100,379,969. The trade with the British West Indies was $3,114,875 in 1880, as against $2,605,675 in 1879. The trade with the Spanish West Indies was $3,031,050 in 1880, as against $1,813,567 in 1879. The trade with Spain, notwithstanding Sir A. T. Galt's mission, declined from $394,445 in 1879 to $297,245 in 1880. The trade with France declined from $2,247,066 in 1879 to $1,928,070 in 1880. The exports to Great Britain were $45,846,062 in 1880, as against $36,295,718 in 1879; exports to the United States, $33,349,903 in 1880, as against $27,165,501 in 1879. The goods entered for consumption from Great Britain in 1880 were $34,461,224 as against $30,993,130 in 1879. The imports from the United States in 1880 were $29,346,948 as against $43,739,219 in 1879."

It will thus be seen that our trade is coming up with a rising tide, and that each department of our Dominion trade is beginning to revive. The exports of agricultural products were $25,970,887 in 1879, as against $32,287,128 in 1880. The exports of manufactures were $3,228,761 in 1878, as against $4,484,211 in 1880. Exports of products of the forest in 1879, $13,797,259, as against $17,666,693 in 1880. Produce of the mine, $3,187,722 in 1879, as against $2,981,613 in 1880. If we look at the seat of the lumber trade, we will notice by the following statement, taken from Forsyth & Co.'s trade circular, that the tonnage of the lumber-laden vessels which have sailed from Quebec since 1873, was as follows:—

	Vessels.	Tons
1873	719	529,112
1874	854	636,672
1875	642	478,441
1876	786	624,110
1877	796	670,627
1878	476	399,833
1879	433	364,628
1880	634	555,451

In the Ottawa and St. Maurice districts the business was never better. Table No. 3 of these returns, showing the aggregate trade of the Dominion, exhibits an increase in the trade with Great Britain, over that of 1879, of $13,018,438, and a decrease in that with the United States of $8,207,863. The trade with the British and foreign West Indies and South America during the last year amounted to $7,563,678, and in 1879 to $5,488,929, showing an increase in favor of last year of $2,063,749. The trade with China and Japan shows an increase in the last year over 1879 of $425,944, and a still larger amount over the two preceding years. Then, whilst our trade is improving, the money market of the old world never had a greater plethora of money, as is instanced by the ready manner in which the Government were able to interest some of the largest moneyed institutions in the world in the building of our Pacific Railway, and taking on themselves a portion of our great North-Western lands in part payment. They are evidently not afraid of the future of this Dominion. They have, no doubt, looked carefully, indeed, into this whole question before they would invest their money without even the Imperial guarantee. The Syndicate, no doubt, have learned that nature always compensates itself, and that the 900 miles of prairie country west of Winnipeg, with its capacity to feed millions, may find an equally valuable set-off in the mineral products of the region west of the Rocky Mountains, and that whilst the great Peace River country will always have plenty, the hardy miner will always have a base of supplies for his wearied industry which seldom goes unrewarded when no more than ordinary difficulties are to be surmounted. Then with the extensive, heavily-timbered lands of British Columbia, with her fine river and coast fisheries, backed up by this great prairie section, with the four million of busy hands between them and the stormy Atlantic, who have hitherto made the name of Canada so respected, little fear need be apprehended by our people as to the final prosperity of this Canada of ours. We have in this Syndicate men remarkable for their financial ability and resources at London, Vienna and Paris. We have men who made their money in this country by solid industry; men who built roads in the North-West. We have this combination who have undertaken for this subsidy to fill up that country with the under-fed and underpaid population of Europe. That alone is one of the most important items, I take it, in this bargain. And what are we asked to do? The Government are asked, after having entered into this agreement, to violate it and destroy the confidence of the money-lenders of Europe in this country. I venture to say, if we reject this Bill, we shall not see, during the life-time of any man who hears me, that great work completed. Therefore, I shall with great pleasure vote for this Bill. But we are told that we can get the work done cheaper. You never heard a man who had anything to sell, and sold it, but had a friend to come and tell him afterwards that he could have got a better price for it. I come now to the monopoly feature of this agreement. The first impression one would have on hearing this objection would be that all the lands in the North-West Territory are to be given to the Syndicate. Nothing could be further from the truth. Prof. Macoun states that we have in the North-West, south of the Canadian Pacific Railway, 180,000,000 acres of land fit for settlement, and out of that area we are giving to the Syndicate 25,000,000 acres, retaining in the hands of the Government 155,000,000. If there is any land monopoly it is possessed by the Government. But we have also granted lands to the Manitoba and South-Western Railway Company, and to the Souris and Rocky Mountain Railway Company — to each 4,000 acres per mile. Estimating the length of each of these roads at 1,000 miles, they would get 8,000,000 acres, which, added to the 25,000,000 granted to the Syndicate, would be 33,000,000 acres, out of 180,000,000, leaving us 147,000,000, irrespective of what may be north of the line. Now, where is the monopoly? Take the case of a man who has 200 acres of land and desires to part with one-half of it for some reason. He gets an offer of $5,000, but demands $8,000 or $10,000. The other replies: "No, but I will build a factory there." The farmer will sell, on that condition, for the price offered, and why? Because the erection of that factory will enhance the value of the land he retains. So it is in this case. We give a certain amount of land and money for which we get a public improvement that will enhance the value of the lands we retain. Great stress is laid on this question of monopoly by my hon. friend, and some allusion has been made to our own Province, and our long and arduous fight to rid ourselves of the land monopoly which exisited there, and which I shall also do him the justice to say he materially assisted in removing. But a comparison of both cases will show at once that there is no analogy. According to Stewart's history of Prince Edward Island, published in 1806, he tells us that the island contained some 7,381,000 acres, which was granted away by lottery in one day in blocks of from 10 to 20,000 acres before the Board of Trade and Plantations in London. "Some obtained a whole township, others half a township. Many of the grantees were officers of the army and navy who had served in the preceding war." One of the conditions was "that these settlers to be introduced be Protestants from such parts of Europe as are not within His Majesty's dominions, or such persons as have resided in His Majesty's dominions in America for two years antecedent to the date of the grant." In Campbell's history of Prince Edward Island (himself a Protestant), published in 1875, he states, in reference to this island and the grants of her lands in 1779:—

> "The Governor was required to perform other duties which were grossly unjust, and in some cases beyond human capability.
>
> "He was, for example, enjoined by the 26th and 27th articles of his instruction to 'permit liberty of conscience to all persons except Roman Catholics so they be contented with a quiet and peaceable enjoyment of the same not giving offence or scandal to the Government.
>
> "No schoolmaster coming from England was permitted to teach without a license from the Bishop of London; and it was assumed in his instructions that all Christians save those connected with the Church of England were heterodox. Some denominations were indeed tolerated, but, in conformity to the bigoted policy of the times, Roman Catholics were not permitted to settle on the island. This sectarian policy has borne bitter fruit in Ireland in the alienation of a great mass of the Irish people. So deeply has this alienation struck its roots, and so widely spread are its branches that notwithstanding Catholic emancipation its effects are painfully visible, not only in Ireland, but also in the masses of the Irish people located in the United States. More than one generation will pass away ere the evil effects of unjust anti-Catholic legislation are totally obliterated from the continent of America."

It is pleasant to know that no such restrictions will now meet the settler in the great North-West. He is welcome from every land and free to practice any creed he pleases, and not only that, but he can give his children a religious education according to his own views. Now, what basis have we for increasing the revenue to meet the increased expenditure. Apart from the improved condition of the country and the probable increase of our population, we have 150,000,000 acres of land south of the railway. At $1 per acre that would be worth $150,000,000. Give half of it away for homesteads and we would still have $75,000,000 worth left, at the same valuation. The Syndicate will have to settle their own lands, but in doing so they will be increasing the value of ours. I cannot see where the monopoly is. A great deal has been said about the terms offered by both Syndicates. In my opinion the industries and manufactures that will arise out of the construction of this great work will employ all the spare capital that Canada at present has. If it were necessary to withdraw that capital from the industries of the country to build this road, it appears to me it would be unfortunate for the Dominion, because it is one thing to put money into a railway and another to get it out again. The road will not be completed for ten years, and will not yield a return for a long time. In conclusion, I for one am quite prepared to take the responsibility of voting for this Bill. I should be very sorry that the Senate should do otherwise than confirm the decision of the other House. I hope we shall say to the world that once the faith of Canada is plighted, it is never violated.

Hon. Mr. REESOR — Hon. gentlemen, this subject has been so much discussed, and by so many, on both sides, so able to deal with it, that it may appear almost presumption in one so humble as myself to take part in the debate. There are some conditions in connection with the Syndicate contract of a very grave character, and yet so plain that anyone may understand them. So many who support this Bill take the ground that all who are opposed to it are necessarily opposed to having an all-rail route across this continent through British territory, that I desire to take issue. I have never myself opposed an all rail-route across this continent. I have always, on the other hand, been in favor of it. I am still in favor of it, and the more I hear this question discussed, the more I am satisfied as to the propriety of such an enterprise. I am further in favor of having that railway built as rapidly as the finances of the country will admit, and I quite agree with what fell from the last speaker in regard to the present being a suitable time to enter the money markets of the world, and raise such funds as may be necessary to carry on this work. We have had no such good opportunity within the last ten years. We may not for many years be able to do better than we can now. Without contrasting the advantages of what this Government have proposed as against what their predecessors proposed, or what our statesman said years ago, as against what another says to-day, it is very clear that the whole circumstances of the country have changed within the last ten years — very materially changed. Six years ago the North-West Territories and Manitoba could not be reached without travelling over land by ox-carts or stage some 300 or 400 miles, and to reach the point from which you had to travel that 300 or 400 miles, you had to go 1,000 miles through American territory. Since then we have had railway communication completed, not only to the boundary lines, but some 80 miles into the interior of Manitoba. In addition to that, we have had over 400 miles more under contract and now nearly completed, which will connect the head of Lake Superior with the Red River, the beginning of the prairie country. With such facilities as we have had during the past three years to reach that country, and public attention having been called to it by successive governments during the last six years, and the efforts that have been made for attracting immigration — the visits that have been made from the old country arising from another class of circumcumstances, which have induced them to come across the Atlantic to find homes for themselves and their children — all these circumstances have tended to aid and bring into notice this immense domain belonging to the Dominion of Canada. Now, while this country was locked up from us; while we had such barriers to surmount in order to reach it, it was not to be expected that strangers, who knew comparatively little about it — it was not to be expected that capitalists would put their money into an enterprise to construct a railway from the head of Lake Superior to the Pacific coast, or from any point this side of Lake Superior to the western shores of British America. Furthermore, there was not such a plethora of money in the money market as there is at the present time. Taking the two circumstances together, they have greatly altered the whole phase of this question. We may fairly excuse those who favored the building of an all rail route through Canada to the Pacific coast in 1874 if they asked to have a large tract of land set aside — 50,000,000 of acres — with a cash subsidy of $30,000,000 too. That contemplated the building of the whole line; it did not contemplate that the Government should build 700 miles through the worst portion of the country, but it contemplated that this amount of land and money should be the basis upon which the total outlay should be provided. That was the position taken at that time. It was a mere basis, and in that basis, which was laid down in the Act of 1874, we find further that every possible safeguard was placed to protect the public of this country and the future settlers in the North-West against either monopolies of railways or excessive charges, or the power of holding the key to that country for all time. That being the case, the Minister of Railways had very good grounds, at that time, for taking the large vote that was then asked for, without necessarily implying that it should all be spent; but a provision was also made in the Bill that this land should be disposed of in a way by which there should be no monopoly of the lands granted — by which the settlers should still get the lands at reasonable prices. In fact, the Government retained the power, and would make it their duty, if they let a contract under that Act, to control and to dispose of two-thirds of those lands, and at such prices as they deemed expedient and proper, with a view of getting that country settled, and to give the fullest and most entire satisfaction to the people who went as pioneers to develop its vast resources. Now we have got so far; we have got the Thunder Bay Branch not only under contract, but we have the assurance of the Minister of Railways that it will be completed in about a year from next August. That line will soon be working, while the Pembina Branch is already completed and in good working order. We have nearly 100 miles more completed west of Red River, and the second 100 miles under contract, and we have also, I believe, 127. miles under contract in British Columbia; so that the work is going on very rapidly, and I see no objection that it should go on rapidly. I believe the more rapidly we can carry it on through the prairie country, without unnecessarily wasting the public money, the more quickly we will draw immigration into that country, and the sooner the whole of the North-West will be in a position to make use of the complete railway when finished from the Atlantic to the Pacific coast. I believe that the time is not very distant when the line across this Dominion, upon British soil, will be made the leading road on this continent.

Hon. Mr. CHAPAIS — Hear, hear,

Hon. Mr. REESOR — I know some gentlemen may not agree with me, but I have no doubt that the hon. gentleman beside me who says "hear, hear," does agree with me.

Hon. Mr. CHAPAIS — Yes.

Hon Mr. REESOR — I know there are some who believe that because our road will run through 1,000 miles of country which is unfit for agriculture, therefore the road as a whole can never pay; can never be of advantage either to the trade of this country or to the trade of the world, compared with its cost. Well, now I differ from hon. gentlemen who take that view; I have always differed from many of my political friends who take that position. I am satisfied that from the very fact that this line will connect the tide-water on the east with the tide-water on the west by a shorter line by some 500 miles than the road from San Francisco to New York — that circumstance alone is strongly in favor of the Canadian road. But that is not all; I will just read a short extract from a report of Mr. Fleming — with every word of which I fully agree — giving his contention in regard not only to the question of distance between Montreal and Victoria, but also as to the distances between New York and Victoria, and between Boston and Victoria, by the Canadian route; and also giving the distances across the Atlantic and the Pacific; showing that the whole distance from Liverpool by the Canadian route to China and Japan would have an advantage of about 1,000 miles or upwards. In the Sessional papers of 1872, No. 33, hon. gentlemen will find a reference to this subject in Mr. Fleming's report:

> "A careful examination into the question of distances shows, beyond dispute, that the continent can be spanned by a much shorter line on Canadian soil than by the existing railway through the United States.
>
> "Referring to the table again, it will be seen that the distance from San Francisco to New York, by the Union Pacific Railway, is 3,363 miles, while from New Westminster to Montreal, it is only 2,730, or 633 miles in favor of the Canadian route.
>
> "A close examination of the tables will show that, by the construction of the Canadian Pacific Railway, even New York, Boston and Portland will be brought from 300 to 500 miles nearer the Pacific coast than they are at present.
>
> "A comparison of distance between distant points which may form traffic connections with the inter-oceanic railways of North America, bring out some important facts referred to in the table.
>
> "Compared with the Union Pacific Railway, the Canadian line will shorten the passage between Liverpool and China, in direct distance, more than 1,000 miles.
>
> "When the decidedly better grades obtainable on the Canadian line are taken into consideration, with the saving in actual distance above referred to, it cannot be doubted that the Canadian Pacific Railway, in entering into competition for the through traffic between the two oceans, has the fairest possible prospects of success."

Now, if anything more were necessary, all we want is to see that that opinion has been verified by others. Not only in Canada have leading statesmen on both sides of politics taken that ground, but American statesmen have looked upon it as a great rival, so serious to their great highways across the continent that they might almost despair of competing successfully with us for through freight — that is the freight which might cross this continent between Europe and Asia. I will not trouble the House to read the whole extract from the speech of Mr. Seward, one of America's ablest statesmen, that was read by the Postmaster-General a few days ago, but I will just call to mind again the concluding words of what was then read. After pointing out the advantages of having a railway across the continent, and referring to the fact that one can be built on British territory and across the Rocky Mountains without going over an elevation of more than 3,000 feet, against the fact that the Union Pacific would have to pass over an elevation of 6,000 feet, he winds up by saying :—

> "Thus British America, from a mere colonial dependency would assume a controlling rank in the world. To her would other nations be tributary, and not even would the United States attempt to be her rival, for she never could dispute with her the possession of the Asiatic commerce, nor the power which that commerce confers."

That, from a statesman so celebrated as the late Mr. Seward, is an opinion that is worthy of consideration ; and we certainly find that, with the additional information we have obtained in this country, with the additional information that the surveys have afforded us, with the additional knowledge we have of the fertility of the soil, — everything continues to confirm in the mind of every intelligent man the value of this great railway. If, then, this is a favorable route, what are the circumstances we may expect will tend to give traffic to this road equal to that on the Union Pacific Railway? First of all, it is admitted that, for European and Asiatic traffic — whatever that may amount to — we will have no successful rival. Of the other trans-continental traffic we will at least always be sure of getting a full share. Then, for the local traffic, it must be borne in mind that, if the Union Pacific and Central Pacific Railways do not pass through such an uninhabited country as ours, they do not take the local trade from 1,000 miles of as fertile territory as we have between Red River and the Rocky Mountains through which our railway will run. There are portions of California as fertile, no doubt ; there are portions of Nebraska that are productive, but, when you pass over the eastern end and over the western end, a very large portion of the middle is comparatively unproductive — I say comparatively, as compared with the land of the North-West Territory in Canada. I think all who have studied that question — all who have studied the character of both lines and the portion of the Western States through which the Union Pacific Railway passes and of that through which our Canadian Pacific Railway is surveyed — will come to the conclusion that there is a larger area of fertile land to be drained by the Canadian Pacific Railway than by either the Northern or Union Pacific Railways. That being the case, having an advantage with regard to the through freight, we can come to no other conclusion than that, in fifteen or twenty years, at the outside, we shall have developed a trade equal to the Union Pacific at the present time. Considering, for a moment, that that point should be reached, where would we be then? We know that the Union Pacific Railway has earned, during the last year, $25,000,000. The Union Pacific Railway and Central Pacific together, covering the whole distance from Omaha to San Francisco, have earned over $45,000,000. Now, supposing $20,000,000 were taken as the working expenses, it would still leave $25,000,000 as the year's profits from the working of these railways. But, if you take the Union Pacific Railway alone, which has earned $25,000,000, and deduct the whole of the working expenses, of keeping the road in repair, improving it in every possible way that may be deemed fair and reasonable, you would still have a net earning of $12,000,000 or $15,000,000 a year. Now, what are we to infer from this? If our road is to be as good ; if it passes through as good a country ; if it would derive as large a local traffic in twenty-five years as the Union Pacific Railway, why should we not look for as large receipts as the Union Pacific Railway? Why should we not get as large returns as one-half the line extending from Omaha to San Francisco? If we did, then our net revenue would be from $12,000,000 to $15,000,000 per annum. The estimated cost of all the road the Syndicate agree to build is less than $50,000,000 for construction and equipment. The Government agree to pay them $25,000,000 and 25,000,000 acres of land. This 25,000,000 acres of land is placed at the nominal price of one dollar an acre, and to show the utter folly of putting the price of those lands down to a dollar an acre, we should look at what is being done in Manitoba and the North-West almost every day. We know that lands, wherever the railway is running — good lands — are selling readily at five dollars an acre. I know persons who have gone out to the North-West — very respectable and wealthy farmers from York County, Ontario — have had to pay for lands, without improvements, ten dollars an acre. They were near where the railway was to run, but 60 miles west of Red River. I know others that went out twenty miles from any settlement, two years ago and took up some 6,000 acres of land, and the following spring whole townships around them were settled, and to-day that land is worth from seven to eight dollars an acre, although the railway has not yet reached them. They are sixty miles from the railway, but there is a railway chartered to traverse that district, and they believe it will be constructed. I received only two weeks ago a letter from a gentleman who went there, taking with him a large herd of thoroughbred cattle and established a large farm. He said that already a municipality had been organized there, councillors had been elected, and he had the honor of being elected as warden of the county. He said that the land bought by him at one dollar an acre — and some of it cost him less, as it was paid for by land warrants bought from the soldiers — was then assessed at four dollars an acre, and that he could sell to incoming settlers at eight dollars an acre if he wished to do so. What nonsense it is for us to assume that when this railway is being built through that country, that lands along the line will not bring more than one dollar an acre. I have no doubt that the Government were perfectly right in the valuation that they put upon the different railway belts in 1879. The only objection is, that they put on those prices a little too soon; they ought not to have gone too far ahead of the railway, and then there would have been an inducement for settlers to go out in advance of the railway. Pioneers always require some special inducements, but the principal part of the land along the fertile belts could be sold a few years after the railway is built for enough to realize the price the Government put upon it. I think the Government was quite right, as far as the principle is concerned, in fixing the prices at $5, $4, $3, $2 and $1 an acre, according to situation and distance from the line of railway. Now, we will give the benefit of any doubt that might be in the mind of any hon. gentleman as to the value of this land, and we will assume that there are only 1,000,000 acres of land along the line upon which the towns and villages will be laid out, because the Syndicate have the power of locating their stations as they please. Going through a new, unsettled country, these stations will be located at places which, in the judgment of the Syndicate, are likely to be the *entrepots* of the trade of the country, and where the imported goods could be received for distribution throughout the settlements. There could be no doubt that over a stretch of country, for 1,000 miles for a distance on both sides of the railway, settlements will spring up very rapidly, and the company can have an important station at least every ten miles. Can any one doubt that the 1,000,000 acres in which those stations are established, and where villages and towns must spring up, would bring ten dollars an acre upon an average? I have not the slightest doubt of it, from what I know of the country. Then, if 1,000,000 acres would yield $10,000,000, we may fairly assume that another 4,000,000 acres would bring an average of $3 or $4 an acre. If you put it at $4 an acre, the 4,000,000 at $4, and 1,000,000 at $10, would make $26,000,000. So that 5,000,000 sold as the railway was constructed, and as the country was being opened up — as I have no doubt it will be, judging from the shrewdness and management of railway companies in disposing of lands — would average $4 an acre, in addition to the 1,000,000 acres which would realize $10 an acre. But, if hon. gentlemen want to be more liberal still, take 8000,000 acres out of the 25,000,000, and allow $3.18 an acre for the 8,000,000 acres; that would bring it up to about $25,000,000. $25,000,000 for 8,000,000 acres, and $25,000,000 in cash, make $50,000,000 — $1,500,000 more than the estimated cost, according to Mr. Fleming's report for 1880, of all the railway that the Syndicate have to build. Why, then, I ask, after giving the Syndicate over 700 miles of completed railway, and giving them land and cash enough to build the balance — a line of railway that within a very few years after its completion will be as valuable, at least, as the Union Pacific — why, in the name of common sense, are we to make them a present of the whole railway and a present of 17,000,000 acres of land in addition?

Hon. Mr. MACDONALD — There are 40,000,000 of people in one country, and only 4,000,000 in the other, to support the railway.

Hon. Mr. REESOR — I have pointed out that this road will secure a large proportion of the American trade, as well as the Canadian trade; that it will secure large part of the trade that goes to New York, Boston and Portland, and if, in carrying across this continent. we can save 500 miles between New York and Victoria, and nearly 1,000 miles between Liverpool and Japan, does the hon. gentleman say we would not get a large part of the American commerce, or is he one of the hon. gentlemen who despise any trade except that which we can find in our own territory? I do not think he is. I think he has sufficient knowledge of the value of commerce to take trade from all parts of the world — not only from China and Japan, but even from the United States. Yet they want to cut off the settlers in the North-West from having an outlet along the borders of the United States. To that I would not have so great an objection, provided the Government should go on and build the road, and hold it as a grand national highway across this continent. If they would do this, we would be sure that the utmost facilities would be afforded to the settlers of the North-West for getting their supplies in, and shipping the produce of their farms to the seaboard. If the Government would only build it as a public work, and retain it as a public work, then that monopoly that the people so much dread—that monopoly that our American neighbors complain of—could never exist there. But the Government are willing that this monopoly should not only receive the railway already built, but land and cash enough to build the balance; or, if we allow 8,000,000 acres and $25,000,000 to build the balance of the railway—and I think it is very clear that it will more than do it—then we give them sixteen or seventeen millions of acres as a bonus to run this road which is so conveniently situated as to command the trade of the whole North-West. If we had a navigable river running from Lake Superior into the North-West, we would not think of handing it over to a company, although it would only be open during six or seven months of the year. No government would ever suggest the idea of giving up that navigable stream to the control of a company or syndicate under any circumstances. Yet, when we take into account the fact that there is no other possible outlet for the people of that country, and no other inlet for the manufacturers and merchants of this part of Canada to the North-West than by the Pembina Branch or the Thunder Bay Branch to Red River, we are giving to the Syndicate the control of that whole country, just as much, or more, than if the only outlet were a navigable river. I maintain that the road should be built, owned and operated by the Government, and that it could be done for the $25,000,000 that they propose to give to the Syndicate, and the proceeds of the sale of 8,000,000 acres of land. If that is the case, why then should we give away 17,000,000 acres more land than necessary to build the road, besides making a present of the road, after we pay for its construction and open it to the commerce of the world? It seems to me to be one of the maddest schemes that ever was submitted to a free parliament or to a free people; one that should be condemned in every particular. My hon. friend who last spoke said that certain hon. gentlemen who are now in opposition have at different times opposed the building of the road on the ground that it was too expensive. That is not now the question. The question is as to the merits of this Bill — the merits of this contract before us. What does it involve? It involves the giving away of this valuable railway, after furnishing every dollar that is necessary to build it, and we give in addition land enough for three provinces like Manitoba. Then look at the franchises they get. They are to be for ever free from taxation, on roadbed, rolling-stock, stations, etc., in the territory. An hon. gentleman said in this House a few days ago that there were some precedents for it. I have looked for precedents, and the only one I can find is where two or three hundred miles of railway in the United States were exempt from taxation for a short period, and yet this is cited as a reason why the Pacific Railway should be exempted from taxation for ever. There is another feature also which I object to, and another reason why the Government had better build the road as a public work. It is because the Government should control the sale of the lands of the country. I remember something of the history of the Canada Company in Ontario. It was a small affair as compared with this, it is true, but at the time the Imperial Act was passed authorizing the Canada Company which was formed in England, to buy 2,000,000 acres of land in Ontario, this province was comparatively poor. That was in 1827. They sent out their agents and purchased 2,000,000 acres — 1,000,000 at 50 cents per acre, and 1,000,000 at about 25 cents per acre, making an average of 37½ cents, or for the 2,000,000, $750,000. They then expended about $100,000 in sending out immigrants and opening roads, and if we allow them three years' interest on their money, you may say that they invested altogether about $1,000,000 in Canada. Now, let us see what has been the result of that investment. They have sold already 1¾ million acres of land, and for that 1¾ million acres they have realized about $10 an acre — they have drawn over fifteen million dollars out of this country by that investment of one million. But that is not all. They have still, according to their own valuation, between four and five million dollars worth of property still unsold. They have had the thing working for fifty years already, and may run fifty years more. The company continue to draw out of this country from a quarter to half a million annually. They do pay taxes, however, from which the Syndicate is exempt for twenty years on their land and on the road forever. The company soon got all their money returned, and millions in addition, and have millions coming to them still. At that time we were not within thirty years of having railways in Canada. When a railway was built, they still had some lands through which the road was carried, and they sold them at handsome prices — sometimes over $20 per acre. It has been found in Minnesota, Wisconsin and Iowa that railway companies have realized $6 an acre for their lands — lands somewhat similar to our own lands in the North-West; and, so far as I can learn, these companies were not allowed to pick their lands and reject any lot that might fairly be considered unfit for settlement. They had to take all the lands as they came, and yet they have realized $6 an acre on them. Are we to come to the conclusion that in our valuable North-West territory, as the roads are built through that country, we will not realize the same figure? It has been stated that this is an American company. I do not know whether that will make much difference to some people. I think, myself, if it were possible to have the road owned by Canadians — if we must give away our vast domain, it would be better that it should be in the hands of Canadians, living in Canada, whose head offices would be in Canada, and whose interests would be in the development of this country, instead of St. Paul and Chicago. The members in opposition to this scheme have occasionally been taunted with the remark that we wanted our friends to get this contract — that we wanted the second Syndicate to get it, because we claimed it would save some twelve or fifteen million dollars. Well, hon. gentlemen, I am not sure but the saving of twelve or fifteen million dollars might be worthy of our consideration, and I believe that, if tenders were advertised for, and all the franchises that are granted to this Company were made known to the public, we could get offers to undertake the completion of this road and the running of it afterwards, for $25,000,000 in cash and 5,000,000 acres of land. But the Government say they have made a bargain with one syndicate, and they cannot make a bargain with another. I do not wish to be misunderstood. I am opposed to either of the Syndicates building this railway. I am in favor of the Government building it themselves, and inasmuch as they are the bankers of the present contractors, and the endorsers of the bonds of the present Syndicate, and practically furnish the money themselves, I say they can go on and build the road as a public work just as fast as it can be done by the Syndicate. Are we to be told to-day that if the Government build this road contractors will not take contracts from the Government as well or as quickly as they would from this Syndicate? It is simply nonsense. Everybody knows that a contractor would rather take a contract from the Government than from a company. He knows his money would be safer, and he would not have to trust to the chances that overtake railway companies; and for that reason he would do the work at the lowest possible rate. In view of all those circumstances, I implore hon. gentlemen, I beg of them, to pause before passing a measure of this kind. It may be said as the Government have made the bargain it must be carried out. If that is so, why has Parliament been called together at all if Parliament is to have no voice in the matter. I see that the organ of the Government published in Toronto has pointed out to the Senate that it is their duty to register their vote for this Bill, and pass it, and not to allow any delay by discussing it; that it has already been discussed in the Commons, and that we should record our names in its favor. However other gentlemen may regard that advice, for my part, I think it is exceedingly impertinent and out of place. Hon. gentlemen in this House are not only authorized to act independently in this matter, but it is their duty to act independently, and they have an opportunity of preventing a great wrong, without jeopardizing the Government. I know a large majority of this Chamber are politically allied with the Government — they have confidence in the Government. I have no objection to that, if they do not allow that confidence and that alliance to carry them so far as to force upon the country a gross wrong. We ought to consider this measure carefully, upon its merits, and act independently. Other government measures have been thrown out of this House, in former times, after having passed the other branch of the Legislature. If, on an occasion of this kind, we cannot exercise that amount of independence, it is difficult to see what use there is for a second Chamber, bound hand and foot to the Government of the day, if they happen to be politically in their favor. If we do reject this Bill, we do not injure the Government. The Government is not obliged to resign if the measure is defeated, and they can go on and carry out their policy of Protection as they have hitherto done. I do not hesitate to say that I would rather see them in power for the next twenty years than pass the Bill now before us — that is, provided they do not introduce some other measure as bad as this one. There are times when politicians should rise above party — times when patriotism should guide our judgment, independent of mere partizan influence — and, if ever that time has occurred in Canada, that time is the present. This country is in its infancy, and its future must depend much upon the wisdom we show in forming its institutions and the early development of its resources. Let us ask ourselves, then, shall we sanction this act of spoliation, or shall we check it before it is too late?

Hon. Mr. SMITH — I did not intend to take part in this debate, but being a resident of this country for many years, and having the honor of holding a seat in this House, I consider I would not be doing my duty were I to give a silent vote on this question. Inasmuch as the last speaker has endeavored to prove how bad a bargain the Government has made for the building of this great work, I will compare the three offers that have been made for it. The offer now before us is that the Government shall give $25,000,000 and 25,000,000 acres of land. I am going to put the value of the land in each of the offers at the same price — say $2 per acre. That would make $50,000,000 that the land would realize, to which adding the $25,000,000 in cash would make $75,000,000. Well, then, add $28,000,000 that the Government have committed themselves to in the works they have undertaken, and it will bring the amount up to $103,000,000 as the cost of the entire work when completed. At one time, hon. gentlemen, I recollect very well that the present Opposition spoke very bitterly and very powerfully against the contract that was entered into some nine years ago with Sir Hugh Allan. They protested against that contract, and brought all the influence they could bring to bear against it, both in the Parliament, in the press and in the country, as you are all aware, defeating the Government of the day. That contract was for 50,000,000 acres of land at $2 per acre, $100,000,000 in all — taking the cash, $30,000,000 and the land at $2 an acre — $130,000,000. If we compare the Allan contract with the contract now before the House it will be found that the offer of this Syndicate is $27,000,000 less favorable than the Allan contract. And, hon. gentlemen, I do not think that this country has made anything by saving that $27,000,000; for if the Allan scheme had not been defeated, and the Opposition had not used their influence to prevent the work from going on, the great North-West would have been to-day opened up for settlement, and would have been the home of thousands of prosperous immigrants, and the revenue of the Dominion would have been increased by an enormous amount. The Government of the day was defeated, and the new Administration came in with five years of a lease of power, and one of the largest majorities at their back that ever sat in a Canadian Parliament. And what did they do during these five years? They wasted time and spent a considerable amount of money on roads that Parliament never intended to be part of the Pacific Railway, and after the lapse of some two or three years the country began to feel that the right men were not in the right places, and from then until the 17th September, 1878, the power of the Government weakened in the country. From then until now they have failed to see how it is possible that any Government could secure a better bargain than they were ever able to suggest for the carrying out of this great national scheme. In May, 1876, the late Government called for tenders to see if contractors would be induced to undertake this great work. They offered 20,000 acres of land and $10,000 in cash per mile. The 20,000 acres of land at $2 per acre would realize $40,000, which, added to the $10,000 of cash subsidy, would amount to $50,000 per mile, as their offer to any company who would undertake the construction of the Pacific Railway. And they did not stop there. They went still further and announced that any sum beyond the $50,000 that could be agreed upon as necessary to finish the work, they would guarantee 4 per cent. upon. Yet such was the state of affairs that the Premier had to announce in another place it was impossible for them to get any company to undertake that great work for that amount of money. They had commissioned Mr. Fleming in England to offer the work to the capitalists there; but whether it was that the moneyed men of the world had not confidence in the Government of Canada, or in the country, I will not say; but the project failed. The present Government came into power without anything having been done for the prosecution of this work, and after a lapse of two years they have been enabled to submit to Parliament a scheme that I trust by the vote of this House in a few days will prove to be successful — a scheme that in my opinion will benefit this great Dominion for all time; a scheme to which I am bound to commit myself, for I am always willing to cast my vote and lend my assistance to anything that tends to open up this vast country of which I am so proud. I consider it would be wrong on my part were I, by any act of mine, to close the avenues of immigration, when we have so many millions of acres of fertile lands to open up for settlement—I say I would be doing a wrong to the country that I have spent forty-nine winters in; a country that has always been kind and generous to me in every way that I could desire. For that reason alone I should give my support to this scheme. By the construction of this railway it will attract emigration from Great Britain and Ireland. It will enable the emigrants after their arrival in this country to earn a little money in the North-West, and to settle upon the lands from time to time, according as they earn the means to do so, thereby securing an independence for themselves and their families instead of eking out a miserable existence in the old country, where they have no steady employment. Is it not better for the poorer classes of Great Britain to make their way out here while these great public works are going on, where they will get a fair compensation for their labor, and where they can provide themselves with comfortable homes, free from the landlord, in a country where there is no legislation against any class or creed in the community? I must say that the Government of Canada, in my opinion, is not to be surpassed on the face of the earth. I speak warmly on this subject, because I look upon this as my adopted country, and I want to encourage the emigration of my countrymen to Canada. I want to give them an opportunity of establishing themselves in homes of their own, where they will be free from the agitation that disturbs their native land. I hope that this great undertaking will be the means of bringing thousands of the people of Great Britain to this country. The last speaker has stated that he could have the Pacific Railway built for $25,000,000 and 5,000,000 acres of land.

Hon. Mr. DICKEY — 1,000,000 acres.

Hon. Mr. REESOR — I did not say 1,000,000 acres of land. I said I believed 5,000,000 acres of land would do it with the cash bonus; but allowing hon. gentlemen to be more liberal, I would say 8,000,000 acres.

Hon. Mr. SMITH — We will say 8,000,000. Why, all that that hon. gentleman would offer to the present company to build that road would be a little over the balance that the former Government offered to build it for. The other Government, as I said before, offered $32,000,000 more than it is proposed to build the whole work for, and more than both Governments have expended on the road; and yet that hon. gentleman, because his friends were not able to build that road, says that we could now get it built for 8,000,000 acres of land and $25,000,000. The whole amount that he is going to give would be a little shade over the balance of what the former Government was going to give over and above all that it is going to cost to build it. That is really such an absurdity that no person can think that the hon. gentleman knows much of what he was talking about. Then we go on to the second Syndicate. The hon. the leader of the Opposition in this House, the other day, jumped up at the remark I made about where this money was deposited. I asked that hon. gentleman if the money was deposited in the hands of the Receiver General. If that money had been deposited with the Receiver General I could have understood that they were in earnest.

Hon. Mr. SCOTT — They had no power to put it there.

Hon. Mr. SMITH — Yes, they had. I cannot understand how any number of gentlemen, composed as they are — some twenty-one in all — of men of intelligence, would imagine that any Government would accept their offer, although they had made arrangements with institutions in this country for so much money. I have not the slightest doubt but the hon. gentleman was perfectly willing to make arrangements for that much money, or perhaps more.

Hon. Mr. SCOTT — They actually deposited it.

Hon. Mr. SMITH — No doubt they got their cheques marked. I will not dispute that; but I can tell you as nearly as possible how they arranged that amount, and if it is necessary I may go into it further; but it is unnecessary. A number of those gentlemen, outside of political circles, are honorable and upright citizens, kind-hearted men and good merchants, but a number of them, while they have sufficient money to carry on their business, have not enough to put into railroads. If these gentlemen had gone to work, as they should have done, when the first announcement of this Syndicate was made — that is, when the Premier and his colleagues went to England to lay the foundation of this great undertaking — if those gentlemen had gone to work then and stated they would get up a Syndicate, and before these negotiations were closed made their offer, before the rival company had shown their hand, there would have been some fair play about it. But, hon. gentlemen, those gentlemen were not in earnest when they got up that second Syndicate. When the Christmas holidays came, and they got their recruiting sergeants to work, they got up what is known as the second Syndicate. They said, we will call upon the Premier of Canada to cancel all that he has done and to step down from the treasury benches and hand over the reins of power once more to the Opposition to give them a new trial. What would this country have thought of the Government had they accepted this tender, or entertained it for one moment? The Government could not afford to do it. They could not, after going to England, and getting financial institutions in England, Germany, France and the United States to be at the back of these gentlemen who have undertaken this great work, afford to cancel that agreement. The second Syndicate, as it is called, had no such arrangements made; there were arrangements on the surface only. It was for a political purpose, and they knew full well, when they were making this offer, that the Government could not afford to deceive the people they had been working with. They could not afford to forfeit the good will of those financial institutions in the four nations that I have referred to, and, therefore, the members of the new Syndicate knew full well that it would be only a farce — and a farce they played. They got it up during the recess, and they played it; but it was not a successful farce, and it never will be. The time is not far distant when the population of this country will scarcely feel this burden. I tell you now, from all I can see with regard to the financial affairs of this great undertaking, all that the Government become liable for is the interest on $53,000,000, the $28,000,000 they have already committed themselves to, and the cash subsidy of $25,000,000. Therefore, all that Canada is really committed to for expenditure (for the more land you give away to actual settlers, the more the country is benefited, and the better it will be for the Dominion) is just $2,120,000 per annum. And are we really committing ourselves to that? I say, no. We are only committing ourselves to it until that great country is somewhat developed, until a few years have passed away, and settlement proceeds there, and the revenues in customs and excise will relieve us from the small burden that we are about to assume. I am satisfied that ten years after that road is built we will have three times the amount of money in the shape of revenue from that country that we are now pledging ourselves to, because I do not consider that by giving away the land we are losing anything, but, on the contrary, we are gaining. I would say to the Government that, if they could see fit to adopt such a scheme they should give away every acre of land to actual settlers in the North-West that they own; and I would give a bond that ten years would not elapse before the actual settlers would have paid the Government back, in the shape of revenue, almost the value of the lands. I will illustrate how that is in one instance, and that will be quite sufficient. Every family that settles on a lot of land will consume $100 worth of goods per annum, and, consequently, will pay to the revenue of this country thirty per cent. at least. Therefore, after the lapse of ten years, that family would have paid into the treasury of this country almost as much as the land is worth — more than the land is worth to the Government to-day, and nearly as much as the land will be worth in five or ten years to come. By carrying out that settlement day after day the country would be filled with population, and every settler would help to diminish the burden. After all, what is the whole amount of what we are undertaking? Are we undertaking sixty cents per head of the population of the Dominion in the shape of taxation? We are not. Assuming the present population at over 4,000,000, we are not undertaking to tax ourselves and the future generation more than fifty cents a head. Is there a man in the Dominion who loves his country, and wishes to see it prosperous, that will not say we are able to undertake that? Is there anything that we should feel doubtful about? Has not the country developed more in the last ten years through the efforts of enterprising men than it ever did for thirty or forty years before; is it not becoming visible to every far-seeing man that this great North-West must before many years be a little world of itself, and will it not be a pleasure to us who have seats here, when we reflect that we are among those who venture to undertake such a work as the construction of a highway from ocean to ocean, and to carry out the pledges that were made at the commencement of this union! I say that as long as I have a voice in this country, no matter what amount of money may be involved by it, I shall always be in favor of maintaining every pledge that we have made since the union of the Provinces. All that we want is intelligence and courage to carry out this great undertaking. I am going to support this Bill, and I entertain the hope that before many years we will be able to travel by rail to British Columbia through our own territory.

At six o'clock the Speaker left the chair.

AFTER RECESS.

Hon. Mr. KAULBACH — I very reluctantly rise to address the House on this occasion, feeling that this great question of imperial and national importance has been so thoroughly discussed by able men in Parliament and out of Parliament and in the public press that it is almost impossible to present any new phase of the subject, especially after the exhaustive speeches of the leaders on both sides of the House. But, feeling as I do the importance of our duties and obligations, feeling as I do the necessity that our national and treaty obligations must be faithfully adhered to —especially our obligations to the smaller provinces—it is my duty to offer a few remarks on the question before us. I may remark, in the first place, that this is not a new subject in the Senate. It is not a matter to which we are about to pledge the country for the first time; it is a scheme to which Parliament has been pledged, to which all governments and all parties have been pledged, and to which the Dominion has been pledged for ten years. It is substantially and in good faith to carry out the principal condition, the unqualified condition upon which British Columbia entered the Union — the building of the Canadian Pacific Railway through British territory from the Pacific ocean to connect with the railway systems in Eastern Canada. We all know, and it is almost useless to repeat the history of our obligations. We know well that as far back as 1870 British Columbia made it one of the principal conditions upon which she would come into the Union, and stated plainly that any union which would not have that condition attached to it and faithfully carried out, would only be a union on paper and not a union in fact. We find that on that condition British Columbia entered the Confederation, and England, considering the uniting and welding together all these British provinces from ocean to ocean an imperial matter, did all that could possibly be expected of her to aid in effecting and concluding the negotiation. She became a party to it. On the faith of this arrangement, England advanced to this country £2,500,000 sterling to aid us in the fulfilment of our obligations and in the construction of this railway. My hon. friend the leader of the Government has referred to the pledges, not of one political party, but of all political parties and of each successive Government, pledged in every way that public men can be pledged. Let us look to the resolution declaring the manner in which this railway should be built. It was introduced in Parliament by Sir George Cartier in 1871, and the conditions embodied therein were:—

> "That the railway referred to in the Address to Her Majesty concerning the agreement made with British Columbia, and adopted by this House, on Saturday, 1st April, should be constructed and worked by private enterprise, and not by the Dominion Government; and that the public aid to be given to secure the undertaking should consist of such liberal grants of land and such subsidy in money, or other aid, not unduly pressing on the industry and resources of the Dominion, as the Parliament of Canada shall hereafter determine."

To which was added the words "nor increase the rate of taxation." And it was subsequently added, that the road should, with the aids mentioned in the resolutions, be built by a company, and not otherwise. Those resolutions were adopted in the House of Commons, not as a party principle, not as a party measure, or by a party vote, but by the vote and with the approval of both sides of the House. It was fully and clearly resolved that the road should not only be constructed by a company, but it should be worked by a company, and not otherwise. These terms and conditions on which the railway was to be built were endorsed by Parliament and confirmed by the people at the polls, and I have failed to see from that day to the present that there has been any change of principle, any change of public opinion, any resolution in Parliament, or any positively determined arrangement by which the railway should be constructed in any other way, notwithstanding that the late Government took powers to construct it, or to partially construct it, and to utilize the water stretches, which they afterwards abandoned. Three Parliaments have endorsed and sustained that policy of construction by a company, acknowledging that the railway must be built, and as being necessary for the perpetuation of the Confederacy and the maintenance of British connection. We further find that upon the faith and in pursuance of that resolution of 1871, the Government of that day entered into a contract with Sir Hugh Allan and his associates who formed a Syndicate for the construction, maintenance, operating and working of the Pacific Railway by means of a Government bonus of fifty millions of acres of lands and $30,000,000 in money. That contract was not disapproved of by either political party in or out of Parliament; it was not made a question at the polls whether that contract should be entered into or not, and I believe hon. gentlemen will agree with me that the country generally approved of the contract made and deplored the defeat of that scheme. It was considered at the time — especially by the Opposition press — that sufficient inducements were not afforded in the contract entered into with the Allan Company to ensure the carrying out of the work; that the grants of land and money were not sufficient aids — the amounts were too small; they were not equal to the carrying out of such a gigantic undertaking. The hon. the Minister of Agriculture of the late Government said here, in 1876, that in that scheme the Government did not give sufficient inducements. We all know that history records the defeat of that contract. Upon the defeat of that scheme another government rode into power, after, I believe, and it is generally believed, that party had done all they could to defeat the contract entered into with the approval of all parties in Parliament. After the late Government came into power we find British Columbia dissatisfied that nothing has been done to carry out the conditions of the Union, and I will hereafter show directly from the speech of my hon. friend the leader of the Opposition in this House, in May 1879, that their Government, when they came into power in 1873, did not look favorably on the carrying out of the bargain with British Columbia. We find that after wasting considerable time without any definite purpose, they entered into communication with the Government of British Columbia, through Mr. Edgar, in February 1874, and that the British Columbians declined to recognize his authority to make any arrangement with them. The Government of Canada then made certain offers; they were not only willing to carry on the construction of the Pacific Railway upon the terms and conditions agreed on by their predecessors, but made extraordinary and extravagant offers far beyond the obligations entered into by the Dominion. They would agree with British Columbia, not only to build the whole railway in fourteen years, the previous limit of ten years having been abandoned, but also to construct the Esquimalt & Nanaimo Branch at a cost of at least three to five millions of dollars, and which they said themselves they were not bound to build, and which was not part of the Pacific Railway at all. They also offered to build a telegraph line and waggon road, and spend not less than two millions of dollars yearly in British Columbia on the Pacific Railway construction. The whole matter was referred to Lord Carnarvon, whose arbitrament was accepted and ratified by Order in Council. To that bargain they pledged themselves, and I consider that they were committed to it, and ought, by every means in their power, to have endeavored to carry it out. They cannot say that at that time they were entirely ignorant of the character and condition of the country. British Columbia had then been four years in the Confederation, and it ill becomes the Opposition now to set up the plea that the obligations entered into by their predecessors were too onerous to be carried out. They not only took upon themselves heavier obligations, but overstepped the condition that the taxation of the people should not be increased, and that the road should be constructed according as the resources of the country would permit. We have been told over and over again in this House and in another place that the late Government did not increase the taxation by the futile attempts to construct the Pacific Railway. But we have proof in the Act of 1874 that they did increase the taxation by three millions of dollars in one year and raised the 15 per cent. tariff that then existed to 17½ per cent., and they cannot, therefore, say that they were endeavoring to carry on the construction of this railway within the terms which were originally agreed upon. It ill becomes them now to say that they prefer a railway different from what was intended to be constructed—an all rail route through British territory to connect the Pacific Ocean with the railways in the eastern part of the Dominion. They ought not at this late day to talk of cheapness and economy, when cheapness and economy have to be secured by the sacrifice of the honor and good faith of this country. I contend that the honor and integrity of the Dominion are of far more value than dollars and cents in a matter of this importance. I wish to refer the House to some remarks made by my hon. friend the leader of the Opposition in this House about twenty months ago. He then declared that the country was incapable of building the road; that the lands were of no value; that they could form no fund for the building of this railway; that we were not bound by our obligations; that the railway in British Columbia would cost $40,000,000, and would be no use when it was built, and that the people would have to be taxed a million of dollars a year to operate it after it was built. It is somewhat remarkable that the hon. gentleman, after making that speech twenty months ago, should now tell us that the whole condition of the country is changed since that time, and that the lands of the North-West have assumed a new value. I ask him in what way? He says we know something more about the country. I ask him again if there has been such a change as to justify his utterances to-day as a member of this House, a member of the late Government, and the leader of his party in this House? In his speech on the Supply Bill twenty months ago, the hon. gentleman said:—

> "When the Reform Government took office in 1873 they were not favorable to the project, but, in obedience to public opinion, they took up as much of the scheme as they considered was desirable in the public interest."

In the same speech he said:

> "Whatever views or opinions we might have had in 1873, up to 1875, as to the capacity of this country to construct the Pacific Railway, I think the delusion has been dispelled from the minds of all those who have given the subject a thought." "The cost of the railway in British Columbia, I do not hesitate to say, will exceed $40,000,000. I do not say how much it will exceed it, but it will be above that amount, and when built it will cost a million a year to keep it up. Now, in all sober thought, it is for the people of this country to ask themselves 'Are we equal to such an undertaking? Is this country in a position to stand the drain of that enormous expenditure in addition to the heavy outlay which we must incur to reach the eastern slopes of the Rocky Mountains?'" "The late Government had endeavored over and over again to induce a company to undertake the construction of the road on the subsidy plan of lands and money combined; but all their efforts failed. The events of the last five years have opened the eyes of the capitalists in Europe to the fact that there is no money in railways on this continent. The loss of hundreds of millions of dollars in railways in the United States and this country has convinced bondholders and stockholders of that fact. Therefore, feeling that the original idea of building the railway by aids of land and money will in all probability have to be abandoned, I had hoped that the Government, in their strength and with their accumulated wisdom that we have all learned in the past nine years, would have seen their way to have postponed the construction of the railway in British Columbia, where it would be of comparatively little service to the people, except whilst the money was being spent in its construction, and very little use to this country for a quarter of a century at least."

I ask, hon. gentlemen, could inconsistency go any farther! Last year we were told the railway, if built by the Government, would ruin the country by the cost of running it. Now, the same hon. gentleman, the leader of the Opposition here, tells us that it will be a profitable work, and that Government should retain the right to build it. Less than a year ago the Opposition leader in the other branch of the Legislature pictured our lands in the North-West as a desert — a worthless wilderness — and the eye of the emigrant was directed to Texas and Arkansas, anywhere in the United States where, the Opposition proclaimed to the world, Canadians were flocking. I would like to ask my hon. friend, the leader of the Opposition in this House, what has so suddenly changed his opinion? He is a gentleman for whom we must have great respect; he is a man of great intelligence, and we must wonder all the more at this sudden change of his opinions and principles, and he has a right to give some explanation of it. In 1873 we find the party to which he belongs saying that the lands of the North-West were of no value; in 1877, that they were of little value, in 1879, that they are utterly useless as a fund for a railway, and now in 1881, of a sudden he tells us that the lands are extremely valuable — that they are of inexhaustable wealth, worth over $3 an acre. I cannot see that they are now of more value than a year ago, for the whole value depends upon their being opened up by railways. Without a railway they are worthless — worse than worthless, because they will be forever a tax upon us to sustain and govern the savage tribes of Indians that rove over them and make them their home. Circumstances have acted in most eccentric ways since the last election. The change to Opposition benches, if it has not altered the minds, has completely changed the speeches and actions of Opposition members, who now say, "Let the Government build the railway and pay for it out of the taxes put on the people." The Government say "No:" Parliament and the country have declared that it should be built and owned by a company, and be as far as possible paid for out of the lands in the North-West — and the revenue derived from the settlement of that country. This policy is the only safe one, and under it the road will be speedily and effectually built, and that, we are assured, will be done without increasing our debt or the taxation of the country. And with its construction our wealth must increase. The country has had sufficient experience of the waste and expense of building railways by the Government. For five years the late Government tinkered at it, with what result, is known to the public in the millions of dollars of the taxes of the people wasted and squandered. We have only to revert to Fort Frances Lock, the steel rail blunder, the Neebing Hotel and Georgian Bay Branch Railway, and ask ourselves will we give any chance for the revival or perpetuation of such recklessness? We want the railway built and operated mainly by private capital, and not by increased taxation of the country, and it is a matter of sincerest satisfaction that we escape from a work of such magnitude involving the heaviest responsibilities, and to which this country has been committed, and that we are relieved from that undefined, enormous, incalcuable responsibility of working and operating the railway by the Government. We all know that our Intercolonial Railway, passing through a rich populous and productive country, connecting all the towns, villages and cities (Montreal, Quebec, St. Johns and Halifax), has been run for five years upon an annual average loss of nearly two millions of dollars. Then look at the Pacific Railway. It extends from Lake Nipissing, round Lake Superior, and west over the Rocky Mountains; and say, hon. gentleman, do you think it would be wise — could the country afford to run that railway? But the country now sees and says that there is a change — there is vigor in the present Government — that they are not like the last Government, who had not the proper estimate of their own capability or the resources of the country. The late Government was composed of men who were ready for any whim or expedient in railway policy — men who would catch at any device that would afford them an excuse to delay the construction of this great national work. They had no faith in themselves, they had no faith in the railway, and they had no faith in the future of the country of which they were the representatives and leaders. Since 1878 have any great changes occurred, has anything happened? Nothing that should cause those hon. gentlemen to change their opinions, or change from one side of the House to the other. Yes, there is a change in the hearts and hopes of the people of the country. They have faith in the Government, and their representatives. There has been, however, nothing done to add to the value of our prairie lands, which I claim are now valueless, and without a railway will remain so. Is it not true, is it not a fact that my hon. friend the leader of the Opposition told us, not later than last session, in this House, that the country was becoming more depressed, that the mass of the people were not as well off as they were before the introduction of the National Policy — that the country was becoming depopulated, and that the people were running over the border into the United States? We were told that the purchasing power of the Dominion was less, and that the mass of the people were ground down for the benefit of a few monopolists. Yet the Opposition have the assurance to-day to tell this House that the whole condition of the country has suddenly changed — that the vast desert of the West is fertile land, and that this work is of so much importance, and there is so much money in the contract—that the land is of so much value, that we are acting recklessly with our great domain and selfishly squandering the resources of the country in handing them over to a company to build this railway. With all the eloquence and persuasive powers at his command, he has merely convinced the House that everything he has said is based upon fallacious arguments, and that he cannot possibly be sincere in the opposition which he has now assumed. With his insincerity as to the Esquimalt and Nanaimo Bill, we find — as referred to by my hon. friend from Ashcroft — that the hon. leader of the Opposition in a very impotent manner, introduced that Bill in this House. We know that at that time the celebrated Aurora speech was made, which no doubt terrified some Ministers, if it did not influence or deflect the policy of the Government, and although pledged to build the Esquimault and Nanaimo railway — a pledge that was endorsed by Lord Dufferin in 1876, who in the most emphatic terms vouched for the sincerity of his Government in his address to the citizens at Government House in Victoria — they were not honest in doing it. Yet the present leader of the Opposition in this House, after having brought that measure down as a Government measure, but manifesting but little zeal or desire to carry it, and after having it defeated in this House by the votes of two of his own most consistent and ardent supporters, tells the House to-day that he approved of the conduct of the Senate on that occasion, although we had the party press at that time denouncing the Senate for having thrown out the Bill. Yet the country knew that we had done right, as we always believe we do. After all this, we cannot be surprised at the present course of the leader of the Opposition in placing a fictitious value upon the lands, which, only a few months ago, he declared to be worthless as a factor in the construction of this railway.

Hon. Mr. PELLETIER — We took your own valuation.

Hon. Mr. KAULBACH — My hon. friend says they take our valuation. On that point I may remark that when the land was valued at $3 an acre as a factor in the construction of this railway, it was applied only to lands along the railway after it would be constructed, and not as the value of the land at present. We find the leader of the Opposition quoting largely for the basis on which they now act, the utterances of gentlemen now on the Treasury Benches. I refer particularly to the speech of my hon. friend from Prince Edward Island last evening. But the hon. gentleman seems to have gone back on his record in this matter. He was among the most strenuous in advocating the claims of British Columbia in this House. He contended that all the obligations that the honor of the country had imposed on us should be carried out inviolate. He considered this aailway not only as a matter of national, but Imperial, interest, and these were his words in 1876, in moving an amendment to the resolution of my hon. friend from Amherst — that we were bound to construct this railway, as it was a matter of not only national, but Imperial importance, and we were bound to carry out our solemn obligations. What were these obligations? Not that the Government should build the railway, but that it should be built, equipped, operated, and carried out by a company from the Pacific seaboard to the railways existing in Canada. We now find him uniting with his leader in changing his views, and instead of looking upon the project as a matter of national and Imperial importance — the construction of an all-rail route through British territory — he is now willing, at least, to have it indefinitely postponed, if not abandoned, and to make our connection with the railway system of the United States. He told me yesterday, in reply to an interruption which I made during his speech to a remark of his — made in a jocular manner — that he had a right to change his mind, no matter what his leader did, and that a wise man could change his mind.

Hon. Mr. HAYTHORNE — The hon. gentleman is somewhat misrepresenting what I stated. I stated explictly in the commencement of my remarks, addressing myself to the gentleman who spoke preceding me that it was not to be supposed because I was opposed to this Bill, that I was opposed to the members from British Columbia obtaining full recognition of all their claims in this matter.

Hon. Mr. KAULBACH — The hon. gentleman declared frequently in this House that the construction of the Pacific Railway as an all rail road through British territory was a matter of national and Imperial importance, and that the railway should be bult as rapidly as the resources of the country would permit. If the hon. gentleman doubts my statement of the position he took on this matter, I will refer him to his speech of 1876 in this House, which I hold in my hand, and will read if he, or anyone, desires it. Instead of now looking at it as a matter of national and Imperial importance, he is willing to postpone the through route for an indefinite time, let the steel rails and work done in British Columbia rust and decay, and that, at the sacrifice of our national honor and allow our fertile lands that are destined to be the homes of our people and of millions of immigrants from Europe to become the feeder of the United States railways.

Hon. Mr. HAYTHORNE — The hon. gentleman is not representing my speech fairly. I stated nothing of the kind. My views are not opposed to the building of the railway across the continent to the Pacific Ocean, but they are opposed to the present scheme, which is a very different thing.

Hon. Mr. KAULBACH — I say that all my hon. friend's arguments tend in the direction I have stated, and, further, his objection to the present scheme is that the road is to be built and worked by a company, although the faith of the country is pledged to have it constructed in that way. And his party leaders declared last session that the Government could not build it. I will tell my hon. friend that he told us in his speech yesterday of the good policy and wisdom of never admitting wrong. But he knows as well as I do that this country feels, and the Lower Provinces especially feel that we are bound by every tie of fidelity and honor to construct this railway in the way to which we are pledged, and this pledge we will redeem. If the faith of the country is broken with British Columbia, it will not be by Nova Scotia, for we feel that if faith is broken with one of the Provinces, it may lead to the disintegration of the Confederation, and there will be very little hope then for the future of this country. The Government felt that they were bound by all the obligations that can bind public men to carry out this work, but they feared it was of such magnitude that the resources of the country were not equal to it, and they were glad and the country rejoiced when they found a company in whom this country and the money markets everywhere have confidence, who were able, willing and prepared to relieve the Government and country of their obligation. This company will build the railway, and what is of more importance they will operate it, and if we believe the utterances of the hon. gentleman opposite the lands of the North-West will be of sufficient value to relieve us of every dollar of debt which may be incurred by carrying out this great work fraught with blessings innumerable to us and Great Britain. Our obligation to British Columbia will be carried out without sacrificing the credit of the country. We say to the contractors "Here are your lands and your money! You must build and work the road and settle your lands at your own expense and risk, and if you derive from the road more than ten per cent. on the money you actually expend, down go the rates of freight." It never was intended — and it will not remain in doubt — that the capital expended should mean the work done, or under construction, by the Government, or the subsidies in land or money. The late Government agreed, or took powers, to give and pay the whole costs agreed on over and above the $10,000 a mile, by cash, in twenty-five annual instalments, and in addition, at the Government expense, to sell two-thirds of the land and hand the Company over the proceeds. The leader of the Opposition does not question now the standard of the road — and we are safe as to that from the letter of the Syndicate, which says it must come up to the Union Pacific, as completed, inspected and handed over in 1873: and as to freedom of materials from duty, the Government have proposed to give a measure of concession to the iron industries, and this relieves even the Opposition from complaining that the National or Protection Policy — which they, however, seek to repeal — has been violated. We paid only £300,000 for the North-West, to reclaim it from the monopoly of the Hudson's Bay Company, and to colonize it, and we have good prospects for believing that it will in time pay all the costs of the Pacific Railway. Thus, I think, hon. gentlemen will agree with me we are not imposing greater burdens on the taxpayers, and our lands will be opened up for settlement. I do not think that any gentleman in the Opposition can say that the old Government ever seriously intended to build this railway as a Government measure. We are told we are handing over the lands of the North-West to a huge monopoly, but I do not see how any monopoly of land can be possible, because we have by approximation an area of about 200,000,000 of acres, out of which we are giving 25,000,000 acres, or the eighth part only in alternate 640 acre blocks. The monopoly is with the Government; the Government lands must control the price. They cannot hold up their lands for speculation, because they must sell them to raise the money with which to build the railway. If they do hold them up, we have the benefit of the lands until they are selected and occupied, and the moment they are occupied they become taxable. With reference to this monopoly of lands by a railway company, in support of my argument that the Syndicate cannot have monopoly, I would direct the attention of the Senate to the debate in the House of Commons on the 16th day of April last, particularly to the remarks of the leader of the Opposition, which argument is as good now as then in estimating the money value of our prairie lands as a factor, the money to be realized out of them in the building of the railway. Mr. Blake said:—

> "Another circumstance which vitiates this estimate is, that settlers will not buy railway lands as long as free grants are obtainable. I speak in the large. Of course there will be instances in which a settler will buy railway lands; and the capitalist who wants more than 320 acres will, doubtless, buy railway lands adjoining his free grant. But, speaking generally, you will find that settlers will not purchase railway lands so long as free grants are obtainable. There is a good reason why they should not. They get 160 acres free, and the remainder on more favorable terms than the purchaser of railway lands, and, therefore, there will be, in these earlier years, fewer settlers on railway lands than the hon. gentleman calculates."

These remarks, as I said, were made in April last by the leader of the Opposition. He tells us that these lands are worthless as a basis for a fund with which to construct the railway. He tells us there can be no monopoly of those lands because free grants will be given away by the Government for years to come, which will render the lands of the Company useless as a source of revenue to the Company; and that they will have to give their lands away also for years to come if they desire to bring in immigration. It is inconceivable to me how these opinions can be so suddenly changed, for last year these lands were of no value, and if instead of giving, as the late Government offered and undertook to give, over 50,000,000 of acres, we are in all giving only half that amount, how are we to interfere with the settlement of the country? It is evident that the Company must look to their lands, and depend largely upon them for the success of the railway. They must have settlement in order to make the road of any value. Notwithstanding this grant to the Railway Company free grants will continue, and I cannot imagine how hon. gentlemen can come to this House and talk about this land as being shut up by the company, who will be as much interested as the Government in having their lands settled upon as rapidly as possible The line will cost $8,000,000 a year to run it, and the company pledge themselves, and give security to run it for ten years. It is essential to the operating of the road that the Syndicate must either people their own lands or ours. It is reasonable that they will first look to the peopling of their own lands; either way it will be an incalculable benefit to the Dominion, and the sooner we dispose of all the lands the better, not only for this country, but for our Mother Country, now looking to us for supplies, not only of bread, of cattle, and of the products of the farm and dairy, but also to provide free farms and homes for her surplus population. Until 3,000,000 of people settle in that country the road cannot pay. Are we to suppose, then, that the Syndicate will hoard up their lands and hold them in an unproductive state? They are bound to run this railway after they have built it, and must have freight. They are not only assuming the construction of this road, but they are also relieving the Government of the great expense of emigration agencies and helping in settling that vast country. They will people that territory more effectually than any Government could. The Government are bringing to their aid men of large experience and financial ability — men who enjoy the confidence of the financial world in all those countries to which we look for immigrants. That alone will give assurances to the emigrating masses of the prosperity which they may enjoy in the Dominion, and thus we may expect to secure a larger influx of population than the Government could hope to get by any measures that they could possibly adopt. The mere equipment and working of that railway is to my mind, a huge undertaking to any company. I hope, and I am sure we all desire that the Syndicate will be successful, and have a fair profit from their investment. The Government can have no object in desiring their failure, but on the contrary, are deeply interested in strengthening their hands in speedily carrying out this great work, and rendering it profitable to themselves and the country. If this Company should fail, I do not know, and would be afraid to think, what might be the result of it to Canada. The leader of the Opposition in this House complained yesterday about the great advantages given to this Company, but he did not say we were going to give them more than the road should cost. He says it will be an advantage to the Company to give them 4 per cent. on their money, but he does not say, and cannot say, that we lose anything by it, and he does not say that we would not have to pay as much to any other capitalists. If we defeat the Bill before us, public confidence in Government and Parliament will be lost, and we would probably fail to get other capitalists to contract for this work. The minor differences as to the details in the scheme and Bill before us are sunk in the general approval and congratulations upon the probability of the near accomplishment of the work to which both parties and the country are so thoroughly committed, which obligation the Opposition never did dispute; nor had they the courage, when in power, to say the country was unequal to the task. It was only when the present Government took up the matter vigorously that the Opposition began to cry out that the task was too great. The railway must be built, or our national existence and connection with England will be menaced. It is only necessary to revert to our Red River troubles, or to the Trent difficulty, to show our real position when not a pound of bonded goods were allowed to pass into this country through the United States. Shortly afterwards the Intercolonial Railway was built. President Grant said that the surest and most effectual means of annexing Canada was to stop the passage of bonded goods through American territory. This railway completed, we will be free from those difficulties and restrictions. We have good cause now to rejoice at the prospects before us, that the Government have found a company, and are enabled to assist the Company, without adding one cent to the taxation or obligations of the country. The Dominion is now entering upon an era of prosperity. The era of deficits, inaugurated by the late Government, has ended since the close of their administration. They rolled up a balance of trade against the Dominion of $150,000,000, and deficits amounting to some eight or ten millions; now the balance of trade is in our favor and we are able to meet all our annually recurring obligations. More than that, we have the assurance of the Government, as I have already stated, that by this arrangement with the Syndicate, we can have our road constructed without adding a dollar to the taxes of this country. If ever there was a time when the Government, which is in honor bound to build this railway, should undertake the work, it is now. Under the National Policy every branch of industry is prospering; the tide has turned in our favor. That policy, which is thus improving our condition and developing our resources, contributes to the inducements which we offer to emigrants from the old world to make their homes in the Dominion. By providing them with labor, by limiting the taxation of the country and by offering them fertile lands for their homes, we may expect a large influx of population. Now, we know that the profits of this railway must largely depend, not only upon the number, but upon the class of immigrants who may settle amongst us. We know how valuable the emigration from Europe has been to the United States. Foreign capital and foreign labor and railways have settled that country from ocean to ocean, developed its great manufacturing interests in the east, and the productiveness of the lands of the west. By that same policy which we are now adopting — a policy which we know has proved so successful in the neighboring country — we may hope for similar results in the Dominion. In the United States, they value every adult immigrant at $1,000. In the North-West we have room for 500,000 such adult settlers with their families. Multiply that by 1,000 and add the average amount of money each man brings, and we can have some idea of the wealth the Syndicate will give us, what the railway will do, and what the settlement of that country will be to the Dominion in production and revenue. We have now reached a position when we see ourselves free from the entanglements of the past — when we have got rid of our white elephant — and we should congratulate the Government of the day whose wise policy has brought about such a desirable result, and enables us to meet and fulfil all our obligations. But we are told that we should build the Sault St. Marie Railway, and I am reminded by my friend beside me (Mr. Hope) that I was a convert to that project. I am still in favor of that road, and believe that it will yet be built, as it should be, as a commercial enterprise, and the Government cannot desire to obstruct that Railway. This Sault project is not a new one; we heard of it in 1873, when Sir Hugh Allan advocated it. And, in this connection, I cannot refrain from looking at a seat directly opposite me and expressing a regret that its occupant of two years ago is not here now — he who had done so much to achieve confederation and maintain our nationality, and British connection and treaty obligations. He has passed away and his mantle has been rolled up. He was a patriot and contended for the fulfilment of our obligations as a member of the British Empire. What did that honorable and honored gentleman, through his organ, the Toronto *Globe*, say in 1873? I do not think that my hon. friends who are opposed to the Government will repudiate the then utterances of the *Globe* on the Sault St. Marie Railway connection. In 1873 that organ of their party said:—

> "The line through British territory may be carried through from strictly commercial considerations, but must be, if British authority is to be maintained on this continent, and our new Dominion made practically as well as in theory a great fact. Apart from all other considerations, the very fact that the line under consideration is through American territory would be a fatal objection to its being made the grand trunk line for the Conadian North-West. Those who had the command of it would in a few years command the country. All the intercourse, both social and commercial, of the people of the North-West would be directly with and through a foreign people, and what

> might at any moment become a hostile country."

We see that the organ of the Opposition then opposed the Sault St. Marie route as an anti-national work and demanded that the road should be built entirely through Canadian territory. That was the position of the *Globe* and its party as far back as 1873. Then we have the *Globe* of November last saying:—

> "The Lake Superior section is certainly a political necessity, but not required till the prairie line has been completed and connected with Thunder Bay. * * By the time the line to the Rocky Mountains has been completed it will be wise to push on the road around Lake Superior, because before it can be built at a fair rate of speed, a large traffic will await its opening."

Thus we see that up to a few months ago, the persistent advocacy of the Opposition organ of the road north of Lake Superior in preference to the Sault Ste. Marie line. The Syndicate is to complete the work to the Rocky Mountains in three years, and if, as the *Globe* says, a large traffic will await its opening up round Lake Superior, it would be folly not to build that eastern section as fast as possible We advocated the Sault route four years ago, because we did not then see our way clear to the early construction of the Lake Superior section. But the Opposition would abandon the Lake Superior section now that the Government has found a Syndicate to build it, and their policy is to cut off both ends of the line, build the prairie or central section and connect it with the United States lines. And the offer of the second Syndicate is notoriously in accordance with that policy and in the interest of the Opposition. They evidently hope by this offer to bring that party back into power. They know well that the present Government would not go back on their contract with the first Syndicate. The construction of our Pacific Railway tends to increase the chances of the Sault construction, and we are not going back on our previous policy. We still approve of a line to the Sault—but by no means to let it delay the opening of the route north of Lake Superior. Two years ago I was a supporter of the Sault line, but my hon. friend the leader of the Opposition in this House is a new convert to that scheme. As a leader of public opinion, he never advocated that route.

Hon. Mr. PELLETIER — He said, the other day, that he advocated it ten years ago.

Hon. Mr. KAULBACH — I did not hear him say so, and I can find no record of his advocacy.

Hon. Mr. PELLETIER — Can you find anything to the contrary.

Hon. Mr. KAULBACH — If he was in favor of that scheme, it was his duty, long ago as a member of the late Government, to bring it before his party and before the public. It was his duty to lead his party in every public measure that he conceived was for the good of his country, instead of talking about water stretches and wasting the public money in buying ramshackle hotels, constructing useless locks, and wasting millions in unnecessary works that never will be used. If he approved of that scheme why did he never bring it before the public, when his Government were laboring or endeavoring to make the public believe they were laboring to carry out the terms of Union with British Columbia, and to give us access to our fertile lands in the North-West? In the absence of any record of his advocacy of that route, I must believe that he has changed his opinion, and the House can judge the cause of that change. As I have said, I approve of the Sault line, although I do not believe it would take a pound of freight from our North-West when our own railway is constructed. I believe the Syndicate itself, in its own interest, will construct that road; they own the St. Paul and Manitoba Railway. From Callendar station westward for 70 miles the Canadian Pacific Railway would be used, and it is to their interest to complete the extension about 200 miles farther to the Sault, in order to get freight from the North-Western States for their road. I believe it will give us a large portion of the trade of the North-Western States. It will shorten the oute from the American North-West to the seaboard some 300 miles, and be nearer Great Britain by some 600 miles; and if the Government should think it expedient to aid that line by a subsidy I think it would be in the interests of this country. But it will not serve for our national highway. If the line on our side were constructed to the Sault at this moment there would be some five hundred miles of road on the other side in the United States to be built before there could be through connection. Even with the through line built we could not regulate the tolls. The greater part of it would be in a foreign country and beyond our jurisdiction. We must have an all-rail route through our own country if we wish to maintain our position as a part of the British Empire. That position could not be maintained if we had to depend upon a line through a foreign country for access to our western provinces. I have already referred to what occurred the time of the Trent difficulty, when we were, as a matter of course, prevented from transporting troops and arms through the United States, and the stoppage of the Red River expedition at the Sault some years ago, and I have reminded you of President Grant's remarks that all the United States had to do to force us into annexation was to deprive us of the privilege of carrying goods in bond through their country. Should we then depend upon our neighbors for all time for means of access to our western provinces? If we were to build the Sault line, as the Opposition contend we should, and subsidize it with the best lands in the North-West, which we require to subsidize our own national road, we would find ourselves without a national highway, and with the best means of constructing one (the lands) gone. The offer of the second Syndicate can hardly be said to be before us seriously at all. It was got up for a particular purpose — to enable the Opposition to say that better offers could be had than the one we are now asked to adopt, and that, therefore, we should hesitate before committing ourselves to the Syndicate. I say if we hesitate we are lost. If the Government should be unable to keep faith with the contractors, it will be a long time before we shall have another opportunity to build this road. But, after all, what does this second Syndicate offer to do? Merely, as I said, to take the choice of our lands, to build the prairie section and to abandon the British Columbia and eastern sections. We are asked to give them the choice of the fertile lands of the North West, and after that what would we have to complete our national highway? Nothing. It becomes now a question of American or British policy — whether we shall fulfil our obligations and maintain our position as a part of the British Empire or become incorporated at least commercially and socially with the United States. To my mind it savors of nothing else but that and obstruction. How any number of men who never thought of it before could sit down and in a few days make an estimate for such an enormous work — its construction, maintenance and operation for all time to come — I cannot conceive. Hon. gentlemen, you must ask yourselves this question. Is it a *bona fide* offer to build the entire line, or is it made to embarrass the Government? This railway construction has been before the country for a long time. The late Government endeavored to build the road by a company, and offered double the quantity of lands, and they offered other greater inducements than this Bill contains and spent thousands of dollars in advertizing for tenders in America and Europe, but failed to get anyone to undertake it. After the change of Government no offer was made, although the leader of the Government announced his intention of consulting capitalists: not even when the Premier and his colleagues returned from England and it was known that they were negotiatiating with a company. There was even then ample time for the second Syndicate. Nothing was done until the result of those negotiations was announced to Parliament, the contract executed the means provided and the Government were pledged and bound in honor to use all their influence to have the contract sanctioned by Parliament. Now we are asked to reject this agreement, cancel the contract, and, in effect, to restore the late Administration to power in order that they may get the best lands and build the prairie section only, the cost of which the Opposition estimate at $8,110 per mile, through another company subsidized to the extent of $37,333 per mile. The second Syndicate will incur no risk. If they ever did their work it would be under the Government of their friends, who are committed to the American route and would relieve them from the responsility and risk which the Rocky Mountain and Lake Superior sections entail. It is the abandonment of the all-Canadian route, and to enable the new Syndicate to amass a fortune out of such an easy, cheap and profitable work, as the prairie section for which they would get the choice of the best lands of the country, get a cash subsidy of $7,333 a mile and 10,000 acres of land per mile—all that for what? A road which the hon. gentlemen opposite say will only cost $8,110 per mile, and which would become a source of great profit in the running and operating of it through such a fertile and productive country. It must not be lost sight of that the second Syndicate could get every acre of their land bonus for the prairie section work along the main line of the road they would build. This is the best offer the Opposition now can get. And the late Government, the gentlemen now in Opposition, taking the land at the value of only one dollar an acre offered $26,887,500 more to build the entire line, than the present Government will now get it constructed for, and yet after years of waiting and six months advertising for contractors at the expense of $10,000 they failed to obtain any offer. And what is more important, the late Government did not undertake to bind the parties to any agreement either to run, operate or maintain the road if it was built. The Opposition must think that the country lacks common sense, and that it has no sense of honor when they would, in effect, propose to go back to such a course of reckless extravagance. I do not believe the Opposition have strengthened themselves in Parliament or in the country by making this factious offer. If for a moment the people were in doubt as to what was to be done, their good sense has returned and they endorse the policy of the Government. The offer of the Opposition is puerile; there is no strength in it. The object is solely to hand over the government of the country to them. They would not build the British Columbia section, notwithstanding their enormous expenditures and their shipment of rails to that country where they lie to this day rusting away. They ask us to abandon, or as the leader of the Opposition puts it, "postpone indefinitely" the eastern section. Neither this House nor the country will endorse that. I know this House will approve of the policy of the Government and support this Bill with a majority not equalled on any other public measure that has ever come before us. I believe that this Government is leading us on to a prosperous future, and that we can now redeem all our obligations and connect these provinces not merely by a sentimental tie, but by a band that will make us a united people, and enable us to realize a future which will redound to the credit of the Government who inaugurated the scheme.

The proposal now before Parliament is as follows:

Existing road with contracts completed	$28,000,000
Cash subsidy	25,000,000
25,000,000 acres of land at $2	50,000,000
	$103,000,000

And if the lands are estimated at $1 an acre, the cost would be only $78,000,000; besides which the present company will build the branch railways without any additional subsidy. In fact outside the present obligations of the country—with the present contracts completed—the country will give in cash only the $25,000,000 and the entire road will be constructed from the Pacific Ocean to the eastern terminus through Canadian territory to Lake Nipissing, to which the government of this country is pledged, where it will connect with the railways already constructed, through every part of Canada, and thus connecting by a continuous line of railway through the whole of this vast Dominion, from Halifax on the Atlantic to the Pacific Ocean. Let us compare this Syndicate offer with former proposals accepted by Parliament and the country and thus see its advantage. In 1879, Parliament gave the government the control of 100,000,000 of acres of the best land in the North-West for the purpose of constructing the railway, which at $2 an acre, would be $200,000,000. In 1874 by the Mackenzie Act, Parliament gave the late government for the construction of the railway 50,940,000 acres of land which at $2 an acre would be $111,880,000;

also a cash subsidy of $10,000 a mile, $29,770,000, and a government guarantee of $7,500 a mile at 4 per cent. $20,977,500; total, $162,627,500. In 1872 Parliament voted 54,500,000 acres of land at $2 an acre, $109,000,000, and a cash subsidy of $30,000,000; total, $139,000,000, and the country sustained that policy, the Opposition at that time claiming that the appropriation was inadequate to the construction of this great railway from Lake Nipissing to the Pacific Ocean. It must be further remembered that by the Mackenzie Act of 1874, provision was made for subsidies to branch lines by bonuses of 6,400 acres of land per mile, and the estimated quantity of land thus required for branch subsidies was then estimated at 12,000,000 acres, which, at $2 per acre, would be $24,000,000, which, added to the estimated $162,627,500 voted for by the late Liberal Government, would be $186,627,500 to build the entire Pacific Railway. We must bear in mind that the present contractors are to obtain no subsidy for building branches. Therefore, valuing the lands at $2 an acre under the several appropriations providing subsidies of land and money to build this great national highway, let us see how great are the advantages and savings to the Dominion, simply in a money point of view, if we accept the offer and confirm the contract made by the Government with the Syndicate. The present Syndicate offer would be $36,000,000 less than the Allan contract of 1872; $83,627,500 less than the Liberal Government provided in 1874, including branch subsidies; and $97,000,000 less than the proposal unanimously voted by Parliament in 1879, when 100,000,000 acres of land were offered for the purpose of building the railway. If the lands are valued at a dollar per acre, which I believe is the most correct standard of value on which to realize the money for the railway, then the Allan contract of 1873 would be $84,700,000; the Mackenzie offer of 1874, $104,887,500, and the present Government contract, $78,000,000. Viewing each of these three schemes as hon. gentlemen may, this House and the country must see, as every impartial mind must see, that the Government bargain is the best, and that under it the road will be built without increasing the taxation of the country. If the lands are now estimated at a higher value than $2 an acre, just in proportion to that increased value does the present contract become more favorable to the country than any previous arrangements or proposals offered and made by Parliament. Let us now see what the opponents of the Government contract offer. They would only bind themselves definitly to construct the central or prairie section of the railway, 950 miles in length, for which they ask in cash $12,000,000, and in lands, placing them at $2 an acre (which is a less estimate, considering that the same could be obtained in the prairie section along the line of railway), $31,550,000 — equal to $43,550,000; and it will be remembered that the leader of the Opposition and others now estimate at from $3 to $5 an acre all this fertile land the best the Government own. These lands, with $12,000,000 in cash, we are asked to give to a company — simply and in effect to enable them to cut off all hopes of our national railway ever being built — to cut off the British Columbian and eastern sections of the railway, hopelessly, and give the heart of our valuable prairie country, that from which we expect to build and pay for the whole line, that part on which we build our hopes of future greatness—I say we are asked to give up that vast country, at least commercially, to the United States. And we are not only asked to do that, but, as I have said, in addition to that spoliation we are asked to give in value to a company a bonus of $43,550,000 to destroy all our national hopes, to take from us the power to redeem our pledged faith with British Columbia — in truth, to break up this great confederacy of ours, the union on which we pride ourselves as the work of the greatest statesmen on both sides of politics, to create which party feeling and cries were hushed ten years ago, and all parties united, and the country endorsed their action to bind us together, commercially as well as politically, by an iron band of union from the Atlantic to the Pacific, from ocean to ocean.

Hon. Mr. HOPE — In making a few remarks on the question now before the

House, I will take the opportunity of referring to the inception of the Canadian Pacific Railway, in order to understand our present position. The late Government found the Canadian Pacific Railway in chaos. Nothing had been done towards its construction when they came into power, in 1873, and after making surveys on the different routes, the line from Thunder Bay to Red River was adopted as the commencement of the Canadian Pacific Railway, and I think that the experience which we have gained, enables us to form an opinion of the course which dictated the policy pursued by the late Government. It was a policy which will be generally approved of. In fact, I consider it one of the most statesmanlike, measures of the late Administration. It was the great gate — the great entrance into the prairie section of the North-West, and without it, all the other roads constructed in the interior would amount to nothing. We required to get an outlet for the prairie section, and an inlet to throw a population into that vast country. I think the policy of the late Administration highly commendable in that respect ; and even though sneered at by some hon. members of this House, I believe the Georgian Bay Branch was a route that was intimately connected with the prosperity of the eastern portion of the Dominion, the Ottawa Valley especially, and with the development of the railway system in the Province of Quebec. The Georgian Bay Branch was just an extension of the Canada Central from the terminus southeast of Lake Nipissing, and running to the mouth of French River, where a harbor was to be established for the transhipment of the grain coming from the West. Hon. gentlemen may ask, what expectation was there that we would only have traffic of that kind ? I may point to the traffic of other railways terminating on the Georgian Bay. Take the Northern Railroad for instance, it carries a very large traffic of that kind during the summer season. There is a line of steamers running from Collingwood, to Chicago and other lake ports in the United States. Grain from the West is transhipped at Collingwood, and thence by rail to Toronto, and thence transhipped to Ogdensburg, and the traffic is yearly increasing. There is nothing improbable or out of the way in expecting a large traffic by way of the Georgian Bay Branch. I think the proposed building of the Georgian Bay Branch was a measure which reflected great credit on the sagacity of the late Government, who attempted to construct that road. I have no hesitation in saying so, and I ask hon. gentlemen to look at the traffic which is now carried in that direction.

Hon. Mr. McLELAN — Without it.

Hon. Mr. HOPE — It is carried now without it ; but with the construction of this branch other lines of steamers would spring into existence. Where does the grain go to that is now carried over the Northern Railway ? It goes to the New England States, and not only is grain carried in that way, but a large number of passengers adopt that route in travelling to the North-Western States. Last season the boats were filled with passengers and traffic, and I see nothing to prevent similar results from the construction of the Georgian Bay branch. If hon. gentlemen had been conversant with the facts of the case, they would have given more credit to the late Government for what it did in that respect than they seem willing to do. With regard to that portion of the Pacific Railway from Thunder Bay to Red River, it may be useful to refer to the views expressed by one of the members of the present Cabinet during the session of 1879. The hon. Speaker of this House, who is a member of the Cabinet, is reported to have said on the 22nd April :—

> " It is well known that my own views have always been opposed to the building of the line from Lake Superior to Red River on account of its great cost and little use. * * * The hon. Senator from Halifax (Mr. Power) did not exaggerate the cost of building a railroad along the north shore of Lake Superior. * * * We have no right to suppose that it can be constructed for less than the line between Lake Superior and Red River, and at that rate it would cost $30,000,000. Now I ask, hon. gentlemen, if it is possible that the Parliament of this country, at the present time, would entertain a proposition to enter upon an expenditure which would amount to that sum before any portion of the road would be of service to this country ? * * * My own opinion always was that we should be content to use the American lines until our prairie country was well settled and the coun-

try north of Lake Superior properly explored and surveyed, to discover the best line and its cost, to ascertain whether it would be within the means of the country —" * * * * *

The hon. Senator from Amherst acquiesed in all that was said by the hon. gentleman, and stated that he had always been opposed to the construction of the railway from Thunder Bay to Red River Now, I consider that railway the key of the whole position. Without it it would be useless to talk of the construction of the Canadian PacificRailway. You must enter the North-West through our own territory. I have always advocated that policy. No Government should take the responsibility of settling the interior of the Dominion without, at some period or other of the year, having access to that country; and although some hon. gentlemen wish to confine us to the American railways, I have always considered such a policy exceedingly imprudent and short-sighted. The settlers destined for our North-West would be liable to be induced to remain in the United States. Now, who are those gentlemen who are members of the Syndicate? They belong to Minnesota, and are identified with the American lines of railways, and, as has been very properly said, if traffic should ever find its way over those lines, it will be difficult to divert it into other channels. When we remember the fact that this Company is about to construct an air-line from St. Paul to Chicago, I think it will be admitted there will be very little traffic on our railways so far as they are concerned; and it is a very serious blunder to put the construction of our national highway into the hands of a foreign Syndicate. They could not be more hostile to our interests than they will be. They are, no doubt, respectable gentlemen, but their interests are chiefly in the United States and will continue to be so. They expect to divide $25,000,000 among five persons through their St. Paul's Railway. This they may or may not succeed in doing. Certainly, if they can get rates of freight such as they at present charge the poor settlers in the North-West, they will, undoubtedly, make a large amount of money. They have a complete and close monopoly in the way of access to that territory. The present Government, in the session of 1879, came down with a great flourish of trumpets and told us that they were going to appeal to the Imperial Government for assistance in prosecuting this enterprise, because it was a great Imperial work. I confess I was somewhat taken aback at the announcement. I looked on with wonder and awe at this great scheme of Imperial assistance and immigration that was to be put in operation for the benefit of this country. But a change came over the spirit of their dreams, and in 1880, the Government said they would construct the road as a Government work, and complete the Thunder Bay section as fast as possible. The middle section of the Lake Superior and Red River Railway were not under contract, although I believe the late Government had requested tenders for their construction before resigning office. The view that the present Government took of this matter in 1880 — of building the road as a Government work — was, I think, a correct one, and I was glad when I learned that they were constructing the line across the prairies, though regretting the deflection from the route recommended by their own engineer. The southern route was adopted I suppose, on the suggestion of land jobbers. We now come to the contract with the Syndicate. The preamble reads thus:—

> "And whereas, the Parliament of Canada has repeatedly declared a preference for the construction and operation of such railway by means of an incorporated company aided by grants of money and land, rather than by the Government, and certain statutes have been passed to enable that course to be followed, etc."

Now, it is extraordinary that such a statement should be made after the anoucement of the Government of last session that this road was to be a Government work. The subsidy to be given to this company is $25,000,000 in cash, and 25,000,000 acres of land, and they also get the right of way free. The second Syndicate offers to build the road for $22,000,000 in money and 22,000,000 acres of land — a difference of $12,540,000 in favor of the second offer — and yet this Senate is asked to vote for this Bill and throw away so large a sum of money as $12,540,000.

Hon. Mr. KAULBACH — The second Syndicate never intended to build it.

Hon. Mr. HOPE — They deposited $1,400,000 in the banks to the credit of the Government as a guarantee of their good faith. They are men of wealth and ability, and equal in every respect to the members of the first Syndicate. The second Syndicate possesses a knowledge of railway construction not possessed by the first Syndicate. I do not know an individual in Canada better qualified than some of these gentlemen are who made the second offer, for such work. I know one of them personally; he has been practically engaged in building railroads, and I do not know anyone who is his equal in that respect. Besides offering to construct the road for $12,540,000 less than the offer of the first Syndicate, they do not ask for any monopoly and their proposition contains none of those objectionable features which appear in the contract now before this House. One hon. gentleman in discussing this matter, said that the second offer was "inopportune;" I dare say it did embarrass the Government a little, as it put them in a very mortifying and humiliating position. But Parliament is not bound to sanction their agreement; the Government only promised to do their best to get Parliament to ratify it. They may have thought this was the best offer they could obtain, but since then a better one has been presented. Yet some hon. gentlemen who have on other occasions shown a laudable anxiety to save a few cents in some contracts, are now ready to throw away $12,540,000. But this contract is open to more serious objections than the loss of money it involves; I allude to the franchises which it confers. They have the power of importing, free of duty, all the materials used in the construction of the railway and telegraph lines. That is a great concession, and one which I think the Government are culpable in giving to any contractors. They also get the power to construct branch lines and the right of way and land for station grounds are given as a free grant — privileges which the second Syndicate do not ask. Then, for twenty years no other company can build a line running within fifteen miles of the American frontier. Is that a monopoly which this House should sanction? Will they leave the people of the North-West at the mercy of railway capitalists? I would trust no man and no set of men with such a monopoly. I should like to see such restrictions put upon this Syndicate, that they should not be permitted to fleece the public. When I saw this proposition I could scarcely believe it possible that the House would sanction it. I thought it one of the most monstrous propositions ever submitted to the Parliament of a free people. But some hon. gentlemen seem to ignore this monopoly altogether. They do not appear to think it necessary even to protest against such an extraordinary concession. I think that hon. gentlemen may regret, when they come to see the effect of it on the country, that they had sanctioned such a measure as this. Then, again, the Canadian Pacific Railway and its capital stock are to be free from taxation forever. That is a very wide phrase, the words "for ever" — there is to be no taxation of their railway and its plant "for ever." The people of Ontario look to see that every man's property should contribute to the public or municipal revenues of the country; but the property of this company is to be exempt for all time from Municipal, Provincial, or Dominion taxation, and that is a monopoly that the second Syndicate did not ask for. In fact, all these monopolies would have been swept away if the Government had had the courage to accept the second offer instead of clinging to the first one. Then the lands are to be free from taxes, until sold or occupied, for twenty years. In Ontario nothing contributed so much to the rebellion of 1837 as the aggravating way in which lands were held by absentees who paid only the nominal taxes upon absentee lands. The settlers had to make roads and other improvements which increased the value of absentee lands free from the incidence of that taxation, which lands, in the occupation of the actual settler, had to pay. The result was an amount of dissatisfaction and annoyance that contributed in a great measure to the feeling that brought about the rebellion of 1837. And yet this Parliament, if it passes this measure, will expect those people who are about to settle in the

North-West to be satisfied with this extraordinary exemption. Allusion has been made to the Canada Company. I remember well when they bought their land, and when the price of it to actual settlers was $3 per acre. That Company is now selling its land as high as $18 or $20 per acre. It was a monopoly of a most objectionable description, and they made the best of it. Some say it is better to get rid of that land in the North-West as fast as possible, and agree in this, if given at a reasonable price to actual settlers. We do not require many emigration agents. When it becomes known in England that there are large tracts of fertile land in the North-West to be settled, and that we have a system of internal communication from Montreal to the North-West, and that land can be bought for from three to five dollars per acre, the country will soon be filled with settlers. But some honorable gentlemen say, "Get rid of the lands;" I say "No," except to actual settlers, as we want no huge monopolies in the North-West. The Government has never practically lost anything by settlers. I have known settlers who had not paid the Government for twenty years and yet paid the purchase money, in the long run, with interest. Representatives of the Government would say, "So long as these men improve their land let them alone; they will pay in the long run." These pioneers are the best means of settling the country, but I would not trust those railway people to do it. Then, they talk about the wealth of the Syndicate. They may be wealthy men, but they intend to have an act of incorporation and their individual liability then ceases. They may be gentlemen, riding in their carriages, and the Company may be bankrupt. Now I come to the Act. It calls for $25,000,000 of capital, with $5,000,000 subscribed. There is another peculiarity about that capital. "Paid up shares" appears to be an extraordinary way of organizing a company. It does not say paid up with money, but "paid up." It seems to me a most extraordinary power to be asked for: whether it is to reward faithful partizans, or what may be the object, it is impossible to say. It may be used to enable them to rope in capitalists to assist them, but there does not seem much occasion for taking up stock, because, from all we see, the Syndicate will require very little money indeed. The Government furnish the money and the land; the Government are to pay for the building of the road, and then they hand it over to the Syndicate to keep for ever, which appears to be a most extraordinary step on the part of the Government. There is another part of this Syndicate arrangement that I should like to make some remarks on, that is, the line immediately to the west of Winnipeg, of one hundred miles. One would have thought that, if the Government had made a present of one hundred miles to the Syndicate, the Syndicate would have been satisfied, but that was not done. The Government say to the Syndicate, "You must pay $1,300,000," or about that, the cost of the one hundred miles, that includes those five station buildings that are about to be built in Winnipeg. Then the Government, after charging them $1,300,000, say: "We will allow you $10,000 per mile for the building of the road," that means $1,000,000 in cash. Then they get 1,250,000 acres of land, worth, at $3 per acre, the sum of $3,750,000, or in all $4,750,000, which the Syndicate get from the Government for accepting a road for which the Government nominally charges them the moderate sum of $1,300,000, the net profit to the Syndicate in that case being $3,450,000. I can easily see how the Syndicate will utilise those subsidies so as to get on without raising much, if any, money. It is one of the most magnificent speculations for the Syndicate, and one of the worst operations for the Government I ever heard of, and yet the Government gravely asks this House to sanction such an objectionable transaction. I say such a contract should not be sanctioned by Parliament. A great deal may be said about this contract, but I thought I would mention a few of its more prominent features to which I object, and in doing so I desire to say I will vote against the measure now before the House, and will support the amendment of the ex-Secretary of State.

Hon. Mr. MACDONALD — I do not expect to import any fresh element into this discussion, nevertheless I consider it my duty to say a few words before this debate closes. The policy of demolition pursued by the Opposition is a very easy one; it is much more easy to pull down, criticize and find fault -- a different thing altogether from originating and constructing. The opponents of the scheme attach far too little importance to the enormous work about to be undertaken by the Syndicate, and too much importance to the money and land they are to receive. The one so far outweighs the other that no just comparison can be arrived at. The construction of 2,000 miles of railway to connect the east and west, and operating such a line forever, together with the arduous and expensive labor of colonizing the North-West, thereby creating an ever increasing source of wealth and revenue, and enhancing the value of the public domain, as well as giving employment to thousands of idle hands, is an undertaking of serious magnitude, to which the country and the Government cannot give too much consideration. Why, a company taking in hand a work of this nature, should be placed in as favorable a position as the Government, as far freedom from taxation and customs duty is concerned. If nothing else were done by the Syndicate than the founding of a colony, if not a nation, surely the cost from £10,000,000 to £15,000,000 sterling cannot be counted alonside of the advantages to be derived. I confess that I was much surprised when I heard of the comparatively small quantity of land given to the Syndicate, knowing the quantities offered to the Allan Company, and under the Mackenzie Railway Act of 1874 I confess, also, to being much disappointed that the Syndicate contract did not contain two very important points, which it should, from our standpoint, have embraced. The first is, that construction on the Western or British Columbia end should proceed simultaneously with the work on the eastern end. There is no provision to compel the Syndicate to do any work in the Province until they reach it from the east, and when the work is nearly completed. This will be a serious loss and disappointment to our merchants and farmers, who will not derive those benefits to which they are justly entitled. The other omission is that which relates to that portion of the railway from Nanaimo to Esquimalt. It will be well known to the members of the Government, and to many hon. gentlemen in this House, that there is a good deal of righteous agitation on this subject. I am not going to repeat the conditions of the Carnarvon award; they are well known to hon. gentleman, and have been freely quoted for many years on both sides of Parliament, and in no instance has their binding force been questioned. From the acts and actions of different governments we have every right on our side to expect that this work shall be undertaken without delay. Lord Dufferin, in his great speech at Victoria, with a personal knowledge of the position and requirements of the Province, said: "That no arrangement would be complete which would not do equal justice to both the geographical divisions of the province." The hon. gentleman from Prince Edward Island has stated the case of British Columbia and urged the due fulfilment of Dominion obligations, for which he has the thanks of Columbians. I do not intend going back now to the original terms with British Columbia. Fortunately for us, and fortunately for the country, the gentlemen who brought us into Confederation are now in power, and we feel they are the friends of the province, and that they realize the necessity of giving us our rights. The time has none bye when we have to come here year after year to press upon Parliament the necessity of keeping faith with British Columbia. A commencement was made in that direction last year, and now we can see before us a prospect of an early consummation of that great scheme. It only requires the completion of that small extreme western link to satisfy the whole Province and place the terminus of this great railway in the most commanding position. I will allude to this subject further on. In dealing with this great question, and in arriving at a sound conclusion as to the advantages or disadvantages of the contract, it will be necessary for us to do so by comparison, which is the most unerring judge we can find—by comparing what was done and offered in former years under different administrations with the contract embodied in the Bill before us. The hon. gentleman from Ottawa (Mr. Scott) objects to comparisons as a mode of judging the case, but if we are not to judge by comparison, how are we to estimate it? Is it to be done entirely by hypothetical and fancy prices? The hon. leader of the Opposition objects to comparisons, although he himself uses comparisons, and in doing so has to compare the comprehensive measures of the Conservative Government of 1872 with the comprehensive measure of the same Government in 1881, having no such bold, comprehensive and national scheme to refer to as the work of the Liberal Government of which he was a member. I propose to draw a few brief comparisons. The hon. gentleman opposite (Mr. Reesor) in his remarks drew most glowing pictures of the profits to be made in building the Pacific Railway, but his valuation is entirely hypothetical, and unless he judges this scheme by comparison with previous offers and data he cannot make any comparison at all. The comparison of the Union Pacific with the Canada Pacific Railway is entirely fallacious. The Union Pacific runs through a country with a population of 40,000,000, that has been settled for many years, and between it and our road there can be no comparison. Our road is in embryo, whilst the other is fed by 80,000 miles of railways radiating from at least a hundred large cities in the East. The Conservative Administration, which first gave shape to the scheme for connecting the Atlantic with the Pacific by one continuous line of railway, placed on the Statute book an Act wherein it is clearly laid down that the Canadian Pacific Railway was to be constructed and worked by a company, and not by the Government, and acting on that predicate a company was incorporated with whom a contract was made to carry out this great work. That company, however, through hostility at home and misrepresentation abroad, failed in securing the necessary capital in the English money market, and I am glad to hear that the hon. gentleman from Ottawa realizes, even at this late day, what thousands of persons in the country realized many years ago, the loss sustained by the Allan contract not going into operation, and with the experience of eight years in railway matters, I think the conclusion will be come, to that millions would have been saved, continuous immigration secured, and the general trade and prosperity of the country greatly advanced, had that contract gone on. In 1873 the Liberal party came into office, and during its five years of administration, no efforts were made similar to those made in 1879 and 1880 by the present Government, for letting one contract for the whole of the Pacific Railway. It is true that an Act was passed in 1874 authorizing the Government to give subsidies in money and land for the building of the railway, which was entirely barren of good results. It is true that money was borrowed in England ostensibly to build the railway and keep faith with British Columbia, not a dollar of which was spent, excepting a little on surveys, in that Province. It is true that in the North-West small sections of road were placed under contract and some work was done as Government work — in connection with which there was much jobbery. It is also true that promises were made to British Columbia under the Carnarvon terms, which were never fulfilled, and not only that, but the hon. gentleman from Ottawa now glories in, and shows outwardly — what he must have felt inwardly at the time — his pleasure at the defeat of the Esquimalt and Nanaimo Railway Bill. Such political shuffling and double-dealing is not calculated to raise our public men in public estimation. While on this subject, with the permission of hon. gentlemen, I will make a slight digression, but it is not my intention to hamper this most important discussion with the consideration of the Esquimalt and Nanaimo Railway. I will not lower my own intelligence by imagining an impossibility—that seventy miles of a railway, involving an outlay of $2,500,000 is to be undertaken on the simple motion of any member. I know when this question, which is of vital importance to us on Vancouver Island, comes before this House that it must be as a Government measure, supported by the Government and knowing that, I regret the more, the mistaken zeal of a representative in another place, who in his haste to gain a little popularity has been guilty of a piece of unpardonable imprudence in forcing a division on an amendment to the Syndicate Bill, to which no amendment would be accepted by the Government. I did intend making a separate motion on the question, but owing to the action in another place I will not do so. The question of the Esquimalt and Nanaimo Railway, although shelved for the present, is not dead, and I have full faith in the Government giving full consideration to the subject at as early a day as possible, and securing to that portion of the Province, that to which it is entitled. I was going to state what the Liberal Government had done. Among other things, tenders were invited for the construction of the Yale-Savona branch, but before the contracts were let — it is doubtful if they ever would have been let—the Government went out of office. The late Premier last session, then leader of the Opposition, stated in another place that although he had called for tenders they did not consider themselves bound to go on with the work. There would be little use in my applying strong language to such a cruel and deceptive course towards a young province; it carries its own condemnation with it. In fact during the last Administration nothing great or bold was undertaken in connection with this great work. They pursued a line of their own, and undertook to build unnecessary and ill-conceived pieces of work as parts of an abortive policy of mixed communication of land and water stretches. During this blundering era, from 1873 to 1878 the trade of the country went down growing smaller by degrees and beautifully less, and it was felt that a change must be made. The country had been eagerly watching such an unhappy and alarming condition of things, and determined, at the first opportunity, to make a change, and in 1878 it came, and with crushing force, scattering to the winds the Liberal Administration, and once again placing its drooping energies and decaying industries in the hands of the present Conservative Government. And what do we find as the result of only six months in office? A bold and vigorous National Policy brought into operation, to afford protection to our home industries and give employment to our idle population, and the country raised from the slough of despond into which it had fallen. Then we find them the same year grasping this Railway question with a firm hand, and on the close of the first session after coming into office we find members of the Government proceeding to England with the hope of securing Imperial aid and interesting European capitalists in this great national scheme. Although they did not succeed that year, as they deserved to do, yet they were the means of bringing the country into very prominent notice — so much so that the Premier of the British Empire, became a medium through which its vast resources were made known — nothing daunted by a partial failure, we find them in England again in 1880 in communication with capitalists in large commercial centres of the world, and their perseverance and energies have been crowned with success. A Syndicate was formed, a contract agreed upon subject to the approval of Parliament, in all its details. Although it is impossible not to use the same figures given us by other hon. gentlemen, yet if I go over the same ground as others in making a few comparisons, I dare say the House will bear with me. I will first take the statement of the hon. gentleman from Ottawa, based on the figures of the Engineer-in-Chief, Mr. Fleming, who places the cost of a cheap and inferior railway from Nipissing to the Pacific at $80,000,000 in round numbers without running expenses, and to show the value attached to that estimate, I will just read what the late Minister of Public Works (Mr. Mackenzie) said in another place last year, in reply to the present Minister of Railways. After estimating the different sections, including the Canada Centsal subsidy and the Pembina Branch, he arrives at a grand total of $121,500,000, and says:—

"It will be observed that if we apply the figures as I have applied them, that is calculating the expenditure east of Red River as it occurred from Lake Superior to Selkirk, that it would be impossible to obtain the same description of road for a less amount than I have estimated. I am sure that I am within the mark in stating those figures, and that it will be impossible to construct anything that can be called a railroad—nothing else than a mere tramway — for the amount now given by the

Hon. Minister of Railways, as he says, estimated by the Chief Engineer."

From Mr. Mackenzie's estimate of $121,500,000, I will deduct the cost of the Pembina Branch, $1,500,000, and the Canada Central subsidy $1,440,000, as not coming within the scope of this discussion, which will leave for the Canadian Pacific proper $118,560,000. This opinion was not come to years ago when less was known of the country; it was Mr. Mackenzie's opinion last session. The figures of the hon. gentleman from Ottawa, $80,000,000 are less by $30,500,000 than Mr. Mackenzie's estimate. The Allan contract is now admitted, on both sides of politics, to have been the best ever made for the country, and we find the Syndicate contract $6,000,000 less than the most favorable contract ever made; $40,500,000 less than Mr. Mackenzie's estimate of last year; and if one-half of the sum named by Mr. Fleming as the cost of running and repairs—say four millions instead of eight millions for ten years—is added to the saving of $6,000,000 between the Allan and Syndicate contracts we find a saving of $46,000,000. But if the same amount for working expenses and repairs is added to the amount that the Syndicate contract is less than Mr. Mackenzie's estimate, we have a saving of $80,500,000. When such a saving can be shown from the figure of hon. gentlemen, not my figures, how can they bring themselves to argue and to maintain that the present is a ruinous bargain for the country. Against this enormous saving which I have shown will be effected, we can fairly deduct a good round sum for the immunities granted the Syndicate. Taking the value of the land as $25,000,000, and a tax of ten per cent. on such valuation, we find $250,000 per annum, or for ten years $2,500,000, after which time we may fairly suppose the land would be assessed to other proprietors and occupants; then the value of the duty on materials used by the Syndicate in construction is placed at $100,000 — making the value of those privileges in all $2,600,000, as against the enormous savings which I have shown. There is another concession which is not so easily valued, that is the real or imaginary monopoly in railway construction. As the road will not be finished for ten years, the monopoly, if such it can be called, (which I do not think it can) is for ten years only. The Act does not prevent the building of branch lines to the west and south-west, and it is not probable that any company would dream within the next twenty years of building a competing line. If we had no land and no railways to the south of us, there might be some danger of the Syndicate charging extortionate tolls and high prices for land, but that they cannot do; they must act in every particular as liberally as their rivals to the south of them do. The land I really count for nothing until colonized and settled, and that the Syndicate in self-defence must do. They have to bear the cost and expense of managing the land as well as the trouble and expense of getting immigrants from Europe, and after getting them they have to treat them as liberally and as generously as settlers are treated in the neighboring States in order to keep them on the land. I have no doubt that in many cases they will have to transport building and other materials for the immigrants free of cost — they have to establish and build up a colony which must be nursed and fostered for some years as the source from which the company hopes to derive its future traffic and profits. A year ago the leaders of the Opposition would not hear of a higher valuation being placed on the land of the North-West than $1 per acre, and I think they were correct, and I agree with them so far. But these gentlemen have with no more information now than then very suddenly changed their minds, and so soon as they see one-sixth of those lands being placed in the hands of persons who will improve and colonize them they set an absurd value on them—three times as much as they valued them at last year. Now, we have facts before us in arriving at a fair valuation of wild lands. In the Province of Manitoba, which is partly settled and having some railway facilities, and much more accessible to immigrants and speculators than the North-West beyond, we find the Government realizing 16 cents per acre over expenses from their land sales in that Province. The leader of the Opposition in 1879 stated in another place "That it was absolutely indispensable to induce settlers to go into the country that we furnish them with lands free of charge. We must, therefore, make up our minds if we are to settle that country, it will be done only at the expenditure of a large amount of money to aid settlers on going in and giving them land free after they get in." This opinion coincides with mine now. That is what I now say the Syndicate will have to do. That is the burden taken off the Government by the Syndicate, and in the face of all these utterances they turn round now and they speak of the great value of those lands which a year ago they considered valueless, and had to be given away free. Now everything is painted in the brightest colors. It is earnestly to be hoped that the North-West will turn out to be of as much value as hon. gentlemen say it is. If so, the Government have land enough left to pay off the whole debt of Canada and build the Pacific Railway as well. By this contract the country will be relieved of shoals of officials forced on the Government through political influence, and get rid also of all jobbery and corruption in connection with small contracts, as well as exercising a wholesome influence on the moral tone of the country. I can well imagine a party looking more to office than to the welfare of the country being in terror and making a desperate fight when it sees by this contract power and patronage passing beyond its grasp — perhaps for ever. I do not intend giving much time or attention to the so-called new Syndicate, but would ask why did not those patriotic gentlemen come forward during the five years their friends were in office, and offer to save the country? Why did they not say, "we will take this great work off your hands, we will build the Pacific Railway, and colonize the North-West?" Why did those patriotic men not come forward when their friends could have given them much larger grants of money than they can now get? The reason is too transparent. I don't know any of the gentlemen composing this Company, but I have no doubt some of them are good men, and I have no doubt there are black sheep amongst them, and they have each and all lent their names to a political trick, and to a concocted scheme to embarrass the Government. They have not done this of their own accord; they have been coached into it. What does this country want? Is it to remain in a state of stagnation? Is it to leave its vast extent of territory lying waste and unprofitable? Is it to drive our people into a foreign country through lack of occupation, and not affording facilities for settlement and immigration? Is it to perpetuate a short-sighted narrow-minded policy? Fortunately for the country the majority of the people have decided against such a condition of things. The Government and the people decided that the great North-West must be opened up for settlement by railway communication and not wait for forty years. They have decided that as far as possible the public faith of the country should be preserved by fulfilling existing obligations. They have decided that the country must be progressive, with a national railway, as well as a national commercial policy of its own, not relying on, or subservient to a foreign country, and the people begin to realize that they no longer live on the border of a "great lone land," but on the shores of a boundless ocean of wealth, which we trust will, before many years pass over our heads, wave with golden corn and resound with the hum of industry, and on whose mighty bosom the Land Leaguer from sweet Killarney may dwell in peace and love with the Orangeman from Belfast.

Hon. Mr. McLELAN (Londonderry) moved the adjournment of the debate.

The motion was agreed to.

The Senate adjourned at 11.40 p.m.

THE SENATE,

Wednesday, February 9th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

THE CATTLE TRADE.

AN INQUIRY.

Hon. Dr. **BROUSE** rose to inquire :—

"Whether the attention of the Government has been called to the action of the Imperial

Government in placing such restrictions upon Canadian cattle entering Briitish ports as will greatly injure the cattle trade between Canada and England."

He said: The reason for my giving notice of this motion is contained in a paragraph in one of the leading papers of Montreal, in these words:—

> "All of our city cattle dealers have received communication from their agents in Liverpool, London, Glasgow, and the other English and Scotch cattle ports, informing them of an Order from the Privy Council, placing all cattle under quarantine, and ordering that all cattle arriving from abroad should not be allowed to leave the port at which they are landed, except as carcases; all live stock from Canada having to be slaughtered within six days of landing. Several prominent shippers, in conversation with a *Star* reporter this morning, said that they thought this would prove a death-blow to the trade, as they knew from experience that it is absolutely impossible to sell a large cargo of cattle within six days of landing. Moreover, they say the restriction will completely cut off Canadian cattle from the inland markets, as the meat could not be kept fresh until it reached the consumers in the inland counties. For this reason, they think that no business will be done but that of fulfilling orders from across the Atlantic. As this in the past has been but the least possible fraction of the trade some idea may be obtained of the detrimental effect the embargo will have on this important trade. Some of the city dealers are in considerable difficulty as to what they will do with the large number of cattle they have been buying up this winter, ready to ship on the opening of navigation in the spring. Our firm alone has 6,000 head of cattle wintering in the neighborhood of Kingston, Ontario, waiting for the ice to leave the river."

A notice of this kind appearing in a leading journal would call for some action, and it is, I think, important that our Government should be alive to this question, because the export of live stock from Canada has assumed very large proportions. In 1876, I believe the first venture was made, and some 500 head of cattle were sent to England. That increased in 1879 to 26,000 head, while in 1880, no less that 50,866 were sent to England, with an aggregate value of $4,750,000. Now, a statement like this appearing in a leading newspaper would certainly give some cause for inquiry, but I believe — and I have understood since I gave this notice — that there is some mistake with regard to this matter; and no such action has been taken by the English Government. I felt it my duty to give the notice as soon as I possibly could after reading the paragraph in the paper, calling the attention of the Government to the fact, and I certainly hope that whatever may take place in the future, the Government will at all times look to this great and increasing branch of Canadian industry.

Hon. Sir ALEX. CAMPBELL — The hon. gentleman has placed a very just confidence in the Government, the expression of which I am very glad to hear from him. The Government noticed the report which was spread in the newspapers, and to which my hon. friend's attention has also been called, and immediately took action to ascertain authoritatively whether there was any truth in the rumor or not; they were informed that no such Order in Council as was indicated had been passed, nor is any contemplated. The Government is keenly alive to the importance of the matter, and is desirous in this, as in all other respects, to discharge its duty.

PACIFIC RAILWAY BILL.

DEBATE CONTINUED.

Hon. Mr. McLELAN resumed the debate on the Pacific Railway Bill. He said: It is an ill wind indeed that blows no good. The weak little hurricane that has been raging round this building — that has been howling through public halls, as the moaning of vexed spirits, ever since the opening of Parliament — has not been an unmixed evil. It has brought a new experience, a new sensation, pleasant indeed and the better relished because of its great rarity. We have positively had gentlemen — who form and lead the Opposition in Parliament and in the country — lauding their own country. We have actually had them praising our territory, its soil and the extent of our resources, and speaking in glowing terms of the great future that awaits this Dominion. They have — like all new and sudden converts — gone a little beyond the line; they have been too glowing in their descriptions of the value of these possessions, and of that great future; but it is infinitely better that they should over-step in this line; it is a thousand times better to over color the picture a little than that their speeches should form, as they have in the past, the chief certificates to the value of the lands in Dacotah, Texas, and Kansas, and their portraits be found adorning the advertisements issued by the railway companies seeking to dispose of those lands. If I may use the term applied by the ex-Secretary of State to his own speech, we have had, also, in the "feeble," dying murmur of the breeze, a pleasant surprise. The hon. gentleman was kind enough to say to us that, in the year in which the Bill introduced and advocated by him for the construction of the Esquimalt and Nanaimo Railway was thrown out by this Senate, the Senate did right. The Senate itself considers that it always does right. The trouble is that the hon. gentleman is always a few years behind that right; he places himself in opposition to the majority of the Senate for the time being, but in the course of two or three years comes to admit that the Senate was right. On more than one occasion has this occurred. What a pity he could not overtake and live up to the spirit of right which prevails in this body! Why, hon. gentlemen, when he now asks you to throw out this Bill, the experience of the past is that, if you do not now take his advice, he will, in a few years, thank you for refusing his counsel of to-day. In 1875 he asked you to pass the Esquimalt Bill; you threw it out, and you saved $200,000 a year at least to this country. Now he says you did right on that occasion. He asks you to-day to throw out this Bill, and, as a logical consequence, you should go in direct opposition to the counsel which the hon. gentleman gives you. But I have said that the spirit of right has always prevailed in this Senate since my acquaintance has been formed with it. During the five years that the hon. gentleman and his associates ruled this country, a large majority of this body was opposed to the policy of that Government. We maintained that we were right. They went to the elections and the country confirmed the right. The country declared that these gentlemen were no longer fit to be entrusted with the management of the affairs of this young and growing Dominion; and they passed it over to other hands, and appointed them Her Majesty's constitutional Opposition in Parliament. It was supposed that with five years of official training they would have been fitted to have exercised the duties of the position, and to have given that wholesome criticism to the acts of any administration which would tend to the public security. But, hon. gentlemen, the country has been disappointed; its just expectation has not been met. My hon. friend from Charlottetown was good enough the other night to read to us, from the memoirs of Napoleon I, his saying that "an error steadily adhered to becomes a virtue in the eyes of posterity." Long ago did the hon. gentleman and his party read and adopt this saying, with the slight misinterpretation that they must be always in error, always wrong, to secure the approval of posterity; and, striving to win posthumous fame, they pursue the wrong, and on this great question they do wrong, not only to the country, but to themselves. They have doubled on their track, gone back on their own record. African hunters tell us that, when the ostrich becomes weak and exhausted, it doubles and turns backward, but, growing weaker at every step, finally buries its head in the sand, to fall readily into the hands of the hunter. So those hon. gentlemen, in their blind weakness, have doubled on their course, and, growing weaker at every step, finally, tottering and feeble, stick their heads into American soil at Sault Ste. Marie, to fall helplessly into the hands of the American Northern Pacific Railway Company. We had hoped, looking back upon the history of this great question, for a different course. I do not propose to refer to this history in its details, but there are certain points that stand out prominently, clear and well defined, marking the course of that history, just as the higher mountain peaks mark the line of that rocky ridge which, crowns this continent, and separates us from British Columbia, through which the proposition is to construct this great highway. We have first, the point that all the public men of this Dominion, upon the acquisition of the North-West Territories and the Union with British Columbia, were agreed that the railway was essential to the security, safety and prosperity of the whole Dominion. The next point: Parliament declared that that great work should be undertaken by a company subsidized by land and by cash, and passed an act placing power in the hands of the Government to undertake the work upon that condition and authorizing a subsidy of thirty millions in cash and fifty million acres of land. We come next to the point that a company engaged to do that work. A contract was made with Sir Hugh Allan and his associates. They deposited $1,000,000 as security. They went to Europe to secure the capital necessary to accomplish so great an undertaking; but they had not proper connections made abroad, they had not the influence abroad that would enable them to float their bonds, or in any way secure the requisite cash, and they returned unsuccessful and surrendered their charter. The next point we come to is the change of Government that followed this, when the incoming Government, led by Mr. Mackenzie, declared that the work should be carried on as a Government work, that the Dominion might have the profits of construction. On the meeting of Parliament they increased the taxation three millions for the purpose of meeting the obligation of the country to construct this and other public works; they also at the same session passed an Act taking power to construct the road themselves or give it to a company, in whole or in part. The preamble to that Bill has these words:—

> "And whereas the House of Commons of Canada resolved in the session of 1871 that the said railway should be constructed and worked by private enterprise, and not by the Dominion;
>
> "And whereas, by the legislation of this present session, in order to provide means of meeting the obligations of the Dominion, the rate of taxation has been raised much beyond that existing at the date of the said resolution;
>
> "And whereas it is proper to make provision for the construction of said work as rapidly as the same can be accomplished without further increasing the rate of taxation;
>
> "Therefore, Her Majesty, by and with the advice and consent of the Senate and House of Commons, enacts as follows:—
>
> "1st. A railway to be called the Canadian Pacific Railway shall be made from some point near to and south of Lake Nipissing to some point in British Columbia on the Pacific Ocean."

Then they go on by their Act to provide for the construction by Government or by a company, or contractors for sections, to be subsidized by $10,000 cash, 20,000 acres of land, and such further sum as may be agreed upon. If this Act means anything, if those men were not performing a solemn farce — a hollow cheatery of the country — they had determined on the building of the Canadian Pacific Railway through and unbroken. In the following year, in the contract with Mr. Foster, they repeat the declaration that the railway shall be built from Nipissing to the Pacific Ocean, twice solemnly placing on record their determination to do it. Having declared their intention, they immediately proceeded to the work, or more properly, to the expenditure of money. They purchased rails to the amount of several millions of dollars, they let contracts from Fort William running westward, they knew not whither; found they were wrong and changed the location. The Senator from Hamilton waxed unusually eloquent on what he was pleased to term the wonderful statesmanship of Mr. Mackenzie, in providing a great gateway to the North-West from Lake Superior. The members of the late Government will be gratified to learn that one man, at least, regards their efforts as statesmanship. We are all familiar with the style, form and architecture of what the hon. gentleman is pleased to term a gateway: that mongrel system long since abandoned whenever possible, of mixed land and water, a route broken by eight or nine portages. We have had in this Chamber hon. gentlemen make it a subject of grave charge and inquiry that delays of a few hours by stress of weather or accident had occurred on the Government road (Intercolonial), but, on this journey it would be the delay of nearly a lifetime in getting over the numerous portages, and round the many falls on Rainy River, and then all frozen in winter. The mariner sings of his home on the deep, but here the song would be:—

A life on the Rainy River wave
A home on the rocky roaring shoals,
Where the cautious Captains rave
And the pious pilots bless our souls.

Commencing inland six miles from Prince Arthur's landing, they put under contract two sections of railway running 114 miles into the wilderness; thence skipping 185 miles, they let two other sections of 114 miles to Selkirk on Red River. They placed the grading of

Pembina Branch 63 miles, subsidized Georgian Bay Branch and Canada Central; erected telegraph lines over muskegs in winter, that could scarcely be reached in summer, and, to crown all, they had men employed at Fort Francis for four or five years digging a hole; these works involving an expenditure and liabilities amounting to upwards of $20,000,000. In the meantime British Columbia became restless, and in addition to having placed it in an Act of Parliament that they would build the road from Lake Nippissing to the Pacific Ocean, they solemnly engaged with the British Government that they would build a railway on Vancouver Island at an expense of from $3,000,000 to $4,000,000.

Hon. Mr. MACDONALD — $2,000,000.

Hon. Mr. McLELAN — I do not think the hon. gentleman will find anyone acquainted with the cost of constructing railways who will put it down at less than $3,000,000 to $4,000,000.

Hon. Mr. MACDONALD — It was $30,000 per mile for a road 70 miles long.

Hon. Mr. McLELAN — They engaged to build that road, cost whatever it might, and to expend at least $2,000,000 a year in British Columbia. Then next we come to 1877, when the Government, finding the entanglement in which they were involved, and becoming disgusted with the profits of constructing the road themselves, announced to the country that they would seek a company to build it according to the terms and for the subsidies named in the Act of 1874. They prepared plans and issued advertisements, calling upon contractors to tender for the work and to say for how much, in addition to 20,000 acres of land and $10,000 per mile, they would undertake the work. In addition to this, they sent Mr. Sandford Fleming, the ablest man in their employ, to Europe to, if possible, interest capitalists in the work; but all without success. This brings us to another prominent point, the elections of 1878 — the Yellow Head Pass, the turning-point in the history of the Canadian Pacific Railway — when the management of this and of all other affairs of the country were taken out of the hands of those gentlemen, and placed in the hands of the men who now rule the Dominion, the men who, from the very inception of this work, were of the opinion that it should be constructed by a company, subsidized by the lands of the North-West, and by a small sum in cash. It may be supposed, and it has been claimed by some gentlemen who have spoken on this question, that the members of the present Government, when they came into office, had changed their opinions, and said it must be constructed as a Government work. I do not, for a moment, admit that there is anything in their administration to warrant such a conclusion. I am sure I am right in saying that, from the beginning to the end, through good report and evil report, they held to the opinion that this work must be constructed by a company, and that the lands of the North-West should be utilized to meet the cost of that construction. When they came into office, it was no time to talk of a company; it was no time to talk of a company when they received the heritage of confusion which had been bequeathed to them by their predecessors. Their first great duty was to take up the tangled skein and unravel it, and bring order and system out of that which was only confusion. Let me for a moment glance at that heritage of confusion which they found. Why, the late Government had been expending money by the millions at every point of the compass, almost. They had been expending money upon the road from Lake Superior westward 114 miles; they had been expending money from Selkirk eastward 114 miles; then at right angles from the line of connection of those sections 100 miles south, they had expended hundreds of thousands; they had the Pembina Branch partially graded for two years, but not a rail laid upon it, although there were thousands of tons of rails scattered over almost every section of Eastern British America, to be eaten away by rust, and 5,000 tons in British Columbia undergoing the same process, whilst the sections in British Columbia were only advertised a few months before the election. They had away north fifty or sixty miles of railway to Cantin's Bay, involving a cost of one a half millions, whilst as much more was required to make the French River navigable. They had the telegraph line under construction. All involving an expenditure of nearly $20,000,000 $12,444,000 of which was actually paid out at the close of the year in which they left office. But there was more than this. The hon. the ex-Secretary of State told us the other day that the North-West, up to that period, had cost say $9,000,000 or $10,000,000 in the purchase and organization,and in the payment of Indian subsidies,and the mounted police, one way or another, at the time they left office. And so it had, and still annually the expenditure was $1,000,000. With $12,500,000 paid out on the Canadian Pacific Railway, and this enormous expenditure annually going on in the North-West, with $12,400,000 cash actually paid out on the Canadian Pacific Railway, with ten millions expended in the organization and protection of the territory, with contracts existing involving additional millions, it was no time to stop had the proposition ever presented itself to them. Whatever opinions might have existed in the outset, it had now become imperative to go forward and make as much of the enormous expenditure of value as possible. If there ever was a time to turn back it was before this expenditure and before the Carnarvon terms. When the Mackenzie Government took office, no contracts had been made, no expenditure beyond a little over a million dollars on exploratory surveys; but, on the change of Government, it was far different; the duty of the hour was to take up this heritage of confusion, bring it to order, and see how far it was possible to make the millions expended, and the lands that were lying there, profitable to the whole Dominion. The hon. gentlemen who administer the Government of this country did not shrink from that duty. They had firm faith in the value of that territory, and they had firm faith in their own ability to develop that value. The first act was to connect the two broken sections of railway between Lake Superior and the Red River, and they placed under contract 185 miles so as to make an unbroken railway, at least in summer, from Lake Superior to Red River. They stopped work at Fort Francis; they cancelled the contract at Cantin's Bay; they urged forward the completion of the Pembina Branch that we might have ready access to that territory even by connection with American lines, and by the 31st December the rails were laid upon the entire branch. Having done this, the next great point was to create a public sentiment in favor of that work and that territory lying north-west of us. They invited the tenant farmers of England to send proper delegates to examine that country, and to report upon it. The invitation was accepted; the delegates came, and returned pleased with the country they had seen, and their visit was attended by the happiest results. But there were other classes in Britain and Europe—where we looked for the money to construct this work and the people to fill the vast territory—whom it was of the highest importance to reach and favorably impress: the moneyed and official classes. The right hon. gentleman who leads the Government, with one or two of his associates, visited England, and, having a marvellous adaptation to the work they had undertaken, the result was almost magical upon the public sentiment of that country, upon all classes, from the noble old lord, who then, as Premier of England, stood next in authority to the Queen who sits upon a throne mightiest among the nations, down to the humblest tenant farmer seeking to own broad acres for his own hands to till and his own children to inherit. All, from Lord Beaconsfield down to the humblest cotter whose children cry for bread, were given to know that here in "this Canada of ours," we have countless acres of soil rich as hand of man ever strewed with seed for grain, or planted with flowers for beauty; enough and more to give happy and prosperous homes to the millions when they come to us, and who, we believe, under the proposition of this Bill, will be brought to us, to find those homes. This was a great point gained. This was laying deep and broad the foundation for future action. The delegates returned to this country. They met Parliament, and, to further impress upon the world the vastness of this territory and the value of it, they asked Parliament to appropriate to this undertaking 100,000,000 acres of land; and, to express, if possible, more clearly and strongly their faith in the undertaking, they placed under contract 127 miles of the road in British Columbia, and 100 miles of the prairie section. Then they felt that the time for further action had come. The time had come to seek for a company to undertake the construction of this great work of building the 2,000 miles of additional railway and the working of the whole so as to make unbroken rail from ocean to ocean. It may be said that they should have given public notice of their intention to seek a company. Hon. gentlemen know that the men who deal in such mighty undertakings as this are few and far between. They are not men who seek for their work in the corners of country newspapers. It might have been advertised in every newspaper in the Dominion for years, as Mr. Mackenzie had advertised it, without a response. The men who deal in those undertakings have them brought to them, presented and advocated, and they pass their opinion upon them. It is becoming the custom of the world to do business in this way. When towns and municipalities want anything done by the Government, they do not write or advertise, but send a delegate to present their case. So manufacturers and other producers, either by themselves or through agents, visit those who are likely to purchase or consume what they produce, and we have commercial travellers throughout the Dominion seeking and finding customers. The late Government tried the commercial agent plan. They kept Mr. Fleming in England and Europe a large part of 1878, endeavoring to influence capitalists to undertake the work, but without success — not from want of ability on his part, because there was no man in their employ better fitted for the task, but he failed because of the condition of the work and of the men who were behind him; men who had not hesitated to magnify the obstacles in the way of constructing that work; men who had placed on record the statement that not all the resources of the British empire would be equal to building it in ten years; men who, here, upon the hustings in Ottawa, declared that all the Chinamen in China could not complete it in ten years, and that it would take forty years, with all the appliances that could be brought to bear upon it, to accomplish the undertaking; men who did not hesitate to belittle their own country, and to magnify that which lies across the border; men who praised the lands of Texas and Kansas with all the zeal of paid hirelings of the colonization roads of those States. Is it to be wondered at that they were unsuccessful? But the men who went from this Government to that task went in a different spirit, and reached a very different result, and that result is now presented to us in the Bill before the House. When I look at the proposition which is made to us to have 2,000 miles of railway constructed, 712 equipped, and the whole line run and worked; when I think that we are securing all this for $25,000,000 in cash, distributed over ten years, two and a-half millions a year, or, as Sir Richard Cartwright admits, equal to, as cash down, from 18 to 19 millions, and a little of our spare land, I feel, as some hon. gentlemen have said, more like offering my congratulations than offering arguments to sustain the Bill. When I think of the past ten years, and the doubt, anxiety and apprehension which forced themselves upon men's minds regarding the cost of this mighty undertaking; when no man knew, in the accidents of political life, into whose feeble hands the management might again fall, and where we might be driven by it; when I recall the five years in which we drifted helplessly towards destruction on a lee shore, with the cold hungry rocks of annual deficits baring all about the ship of State, and she manned by a crew who could or would do nothing but throw out signals of distress; and, now, when I see that ship under other management, and another crew, brought away from the breakers and reefs of annual deficits; when I see her brought out from the mists and fog banks and into the clear water and blue sky, where we can ascertain our reckonings, and find out our exact financial latitude and longitude and know where we are, I think the country should be congratulated, and the men, who, by clearheaded statesmanship, patriotism and indomitable perseverance have brought about this result, deserve the thanks of the people. Had any company come to Mr. Mackenzie's Government when they were throwing out signals of distress, when their Finance Minister was declaring that he had exhausted every means within his power to raise a revenue, and when the leader of that Government in this House was declaring that the country was too poor to build even 185 miles of railway to give us all rail from Lake Superior to Red River; had a Syndicate come to that Government and said, give us $25,000,000 in cash distributed over ten years, $2,500,000 a year, and we will construct 2,000 miles of railway; we will equip and work 712 miles of railway; we will open up that vast territory to you, and bring into it such a population as will make the 25,000,000 acres you grant us and all the vast territory you have there of such value that you will receive in return the actual cash subsidy many fold and indirectly you will receive incalculable advantages to this country." I say, had any Syndicate come to that Government and made such a proposition as that, every man of that Government would, politically, have fallen down and worshipped that Company. Now, when that result has been reached by another Government and other men, in their vexation of spirit they rise up and their feet are "swift to shed the blood" of that Syndicate. The opposition to this contract has taken different forms. In the outset it was declared that we gave entirely too much — that the land itself is worth more than the cost of the whole work that was to be done. If this had been true, why was the country subjected to anxiety and trouble with regard to the cost of the work? If in 1877 and 1878 they believed what they utter now regarding the value of that land — if our wealth be so fabulous as they represent — why did they not go on with the work? What need was there for hesitation and seeking for a company? But the opposition has now another form. We are too poor to build the line, and must be content with the Central section and connections with American lines. That is the policy they have announced, and to which they are committed. Every member of the Opposition in the House of Commons takes that ground, and votes for an amendment moved by Mr. Burpee declaring that the Western end shall be cut off. I have the amendment in my hand, but I will not detain the House by reading it. Then another gentlemain, who was a member of the late Government (Mr. Laurier), moves another amendment declaring that the Eastern end shall be cut off, and the line to the Sault Ste. Marie constructed, to connect with American lines. All that is fixed clearly and plainly on the public records of the country as the policy of the Opposition. Before this last step had been taken in the Commons; before these amendments had been placed on record, but after the policy of the Opposition had been declared — had taken form and shape, and crystalized — and announced to their supporters all over the country, another company is formed, and proposes to build the Pacific Railway. Now, let us for a moment look at that second offer. The first proposition is made to the Government upon the policy that there shall be unbroken rail communication from ocean to ocean; that we shall construct the railway from Nipissing to the Pacific Ocean. Upon that policy, and to carry it into effect, the first Syndicate make their proposition. After long negotiations, and satisfaction given that they are equal to the undertaking, a contract is made, and the Government is bound to it. The second Syndicate, having before them the policy of the Opposition, and having been sufficiently assured that it will be adhered to by those gentlemen whenever they should come into power, they make their offer, shaping it to meet that policy. Matters had reached the point which made it absolutely impossible to abandon the contract with the first Syndicate, unless by a government lost to all sense of personal, public and political honor, and they could safely act upon the assumption that if the Government were so dishonorable as to break their solemn obligation to the Syndicate, and if in Parliament a majority could be found so lost to a sense of honor as to sustain them, then such a Government and such supporters could be manipulated to adopt the policy for which the second offer is framed — to do no work east or west except the branch to the Sault, and so reap a large profit from the Central section. But this is not the ground upon which they relied. Their hope rested upon the Government honorably adhering to their solemn obligations; that their offer, which bore on the face of it an apparent saving of three millions in cash and the same in land, might deceive the country and Parliament, and lead to a change of Government and the placing in power the gentlemen who had announced as their policy the cutting off of the Eastern and Western ends of the road, and building only the prairie section, and to the Sault; and in their offer they make the necessary provision therefor, as the following extracts clearly show:—

> "19. The Company also hereby offers, in the event of the Government desiring to withdraw from the proposed construction of the Eastern Section of the said Railway, that the Company shall reduce the said subsidy in money and land by the amount apportioned to the said Eastern Section of the Railway under the 9th paragraph of this proposal.
>
> "20. In the event of the Government desiring to withdraw the said Eastern Section from construction hereunder, the Company hereby offers to construct within three years, and equip, own and operate as a part of the Canadian Pacific Railway, a branch line from South-East Bay, Lake Nipissing to Sault Ste. Marie and Goulais Bay, Lake Superior, estimated at 294 miles, at and for a sum of $3,500,000; and in all other respects the provisions of this proposal shall apply to the said Branch Line so far as applicable thereto.
>
> "21. In the event of the Government desiring to postpone or withdraw from construction the Western Section of the said Railway, extending from Kamloops to Port Moody, they shall be at liberty to do so, and in that event the Government shall not be bound to complete and hand over to the Company the said Western Section under the 6th and 7th clauses hereof.
>
> "22. In the event of the Government desiring to postpone or withdraw from construction by the Company hereunder the westerly portion of the Central Section of said railway, being the westerly 450 miles thereof, as mentioned in the 9th clause of this proposal, the Company offers to reduce the subsidy in money and land by the amount apportioned to the said westerly 450 miles of the Central Section under the said 9th clause hereof."

In this it will be seen that they provide for cutting off the eastern and western sections, even to stop the work actually going on. Leaving, as I said before, only the central section to be constructed.

Hon. Mr. SCOTT — Depending altogether on the desire of the Government.

Hon. Mr. MILLER — What Government?

Hon. Mr. SCOTT — The present Government.

Hon. Mr. McLELAN — No; but the Government that they hoped would come into power under that offer. It was to be the Government to be formed by the men who had announced it as their policy, and who subsequently placed it on the public records that it was their intention, if ever they came into power, to drop both ends of the road, and build only the central section. Having arranged it in this way, great stress is laid upon the fact that their offer is $3,000,000 and 3,000,000 acres less than the offer of the first Syndicate, 2,400,000 of which are on central section, and almost all the hon. gentlemen who have spoken in favor of Syndicate No. 2, say that the acceptance of their offer would be a saving of from twelve to fifteen millions of dollars. We must look at the second proposition as it really is, and as it is really intended to be — for the construction of the central section — the eastern and western ends to be dropped.

Hon. Mr. SCOTT—No; it speaks for itself.

Hon. Mr. McLELAN — It speaks for itself, and I have read the three clauses which speak for themselves. I have read also the amendment moved in the House of Commons, and sustained by every member of the Opposition, which speak for themselves; and I need not refer to other speeches which speak for themselves — all declaring in the plainest terms what would be the procedure whenever those gentlemen came into power.

Hon. Mr. MILLER — Under the new leadership.

Hon. Mr. McLELAN — Now, hon. gentlemen, let us look at that $3,000,000 which it is claimed they will save, and you will take this fact into consideration, that they were to cut off the western section — that means that they were to be saved the expense of equipping 217 miles of railway there, which I estimate at $3,000 a mile — very much less than it cost to equip the Intercolonial. Having looked at the returns for the equipment of railways in the United States, I have seen that in sixteen or seventeen railways the returns give an average for equipment, rolling stock, etc., of $7,500 per mile. On the Intercolonial we expended on 500 miles something like $2,000,000 on rolling stock alone; and in addition to the rolling stock there is an enormous expenditure on what is called equipment. I have put it down at only $3,000 per mile, which is $651,000 they will save in the equipment of the western end, and then the saving of loss in the working of 657 miles. They would not build 450 miles down from the Rocky Mountains, which makes altogether 657 miles of railway, which it is admitted could not be worked for many years without loss. I put that loss at a very small figure — $1,000 a mile — making $657,000 a year, or for five years $3,285,000. The two together will be a saving in the equipment and working of that portion of the road of $3,936,000. But the period of loss in working that western section should be placed beyond five years, and the loss very much more, and therefore the saving or escape from loss very much the greater. Mr. Mackenzie, in 1877,page 1,639 of Hansard, says, speaking of the whole line, including the central section, which it is admitted will be profitable: "The whole is an undertaking which for many years can yield no profit." If you assume that both propositions are to build the whole road, how does this matter stand? Assuming, as the hon. gentleman, the ex-Secretary of State,would intimate,that the proposition is to construct the whole road, which I deny, and which I always will deny ——

Hon. Mr. SCOTT — The offer speaks for itself.

Hon. Mr. McLELAN — And speaking for itself it proclaims to the world that it was never intended otherwise.

Hon. Mr. SCOTT — The hon. gentleman knows very well that the option is with the Government.

Hon. Mr. McLELAN — And the gentlemen who made that proposition knew very well that if it were ever accepted and ever acted upon, it would be by the gentlemen who now form the Opposition in the House of Commons.

Hon. Mr. SCOTT — Then it was a farce submitting the other.

Hon. Mr. McLELAN — Now, assuming that both propositions were to build the whole line, how does the matter stand? As I have said before, the Government entered into that contract and were bound in honor to adhere to it. The two syndicates stand in this position: that the Government made a contract with certain capitalists, after it had been assured that those capitalists had sufficient means and sufficient connections formed abroad to raise the large amount of money that would be necessary to complete the undertaking. The second Syndicate, although composed of a number of very excellent gentlemen in mercantile life, do not claim that they had any foreign connections made whereby they could raise the capital necessary to carry out this work. Hon. gentlemen who are now in Opposition will not deny, but all, except the ex-Secretary of State, will admit that in order to complete this work a very large amount of money must be raised in some way, in addition to what is provided under the Government subsidy of $25,000,000. The original Syndicate had all their connections made in New York and in London, and on the continent of Europe, whereby they could raise almost any amount of money that might be necessary to carry on the undertaking; and the Government had ascertained this before completing that contract, as it was necessary and wise for them to do. In 1871 we had the Allan contract; we had gentlemen of large means in this country, far greater than those of the present new Syndicate, of great railway experience and of great sagacity, who combined and deposited their millions and went abroad to seek the funds necessary for their contract; but having no connections made abroad, and having to meet the hostility of the stockholders of the Grand Trunk Railway in the foreign markets, they failed to float the scheme, and ten years have been lost; and the lesson from the past was, that the first and main point was to know that the men who proposed to undertake this great work had their connections formed abroad whereby they could command the necessary capital and influence that would be instrumental in directing a large emigration to this country — an organization that would be prepared to send into the North-West the people that will be necessary in order to make that road, or any road that is ever constructed there, profitable. The gentlemen who make the second proposition had no such connections, and do not profess to have formed any connections whereby the means necessary to carry on the work may be raised. The Act of 1874, passed by the gentlemen now in Opposition, who approve this second Syndicate, declares that no section or sub-section of it shall be given to any contractor or company who does not satisfy the Government that they have a capital of at least $4,000 a mile to carry on the work. Now, for 2,000 miles that means at least $8,000,000, and when you come to equip 712 miles it will require from $2,000,000 to $3.000,000 more ; so that it would take $8,000,000, or $10,000,000 at least according to the declaration of hon. gentlemen in Opposition when they passed the Act of 1874, as a capital to commence operations with. They may tell us that the second Syndicate, although they do not claim to have that amount of money — do not claim to be worth that in themselves, taking their entire property — that they could raise it abroad ; but there is just the weak point in the proposition of the second Syndicate, that they have not made their connections in the money markets of the world, to float their bonds or in any way raise the capital necessary. In addition to that, it may be claimed that they could make their connections ; but the moment that you dissolve the contract, the moment you violate the public honor of this country and declare that the public men — the Government of Canada — cannot be trusted to enter into any contract ; that whenever it suits their whim, or the whims of their supporters, they can drop out, and will drop out of their agreement, you destroy all confidence in the money markets of the world, and you would create in this instance such a hostility among the members of this Syndicate and their friends, as to render it impossible for the second Syndicate to raise the necessary funds abroad. I am free to say, in the construction of this work and in the running of the road for ten years at least, and in the organization necessary to bring into that territory the population that will eventually make it pay, from $50,000,000 to $70,000,000 must be expended, from which we may deduct the subsidy of $25,000,000, leaving a very large amount to be provided for from abroad, and for which no provision has been made, or can be made, by the second Syndicate. The ex-Secretary of State tells us that this is all brought about from a want of notice, that if the notice had been given there would have been abundance of offers made even more favorable than the offer of the second Syndicate. Now, if we turn to the history of this undertaking, from 1871, 1877 and 1878, up to the present time, you will find it has been the declaration of every Government in this country that they were desirous to have a company undertake the whole of the work. The very fact, as I said before, of 100,000,000 acres being set apart in 1879 by the Government for the construction of the Pacific Railway, was an intimation to the world more plain and more forcible than any advertisement in any newspaper could have been, that that was to be utilized as a subsidy to a company, or in some other way, in order to complete this work. If it were not so, what was the use of passing a resolution in Parliament, if a portion or the whole of it was not to be given over to some company who would undertake, as previously provided by Act, its construction ; if Parliament meant that the Government should go on and construct the whole railway as a Government work, why put apart 100,000,000 acres of land? The Government held that land before, and all they had to do was to go on and pay the money out of the public treasury whenever it came in from loans, complete the work, and the proceeds of land sales go into the treasury. If there was one idea more clearly and firmly fixed on the public mind than another, it was that this work, to be least burdensome to the country and most successfully carried out, must be in the hands of a company largely subsidized. The resolution of Parliament in 1871, the Act of 1874, the declaration of the Government in 1877 and 1878, the labors of Mr. Fleming in Europe, the placing of 100,000,000 acres of lands in the hands of this Government, were all standing declarations to capitalists that "we wish you to organize and undertake this work." Then, we have the announcement of the leader of the Government at a public meeting at Bath on the 29th June last that they were seeking a company. His words were reported in every paper in the Dominion, and a wider and a clearer advertisement was never given. He said:—

> "When he told his hearers that at this moment there were a number of capitalists offering to build the road, desirous of taking it off the hands of the Government, and also of making their own fortunes by running it, and the settlement of the lands which had been set apart to pay for the construction, they would quite understand how false and absurd were the charges made against the Government, that the building of the line was overwhelming the people. The Government at this moment had the offers made under consideration, so that there was no danger regarding the road, and there was no room for doubting that the great western country would be opened up, not only for the young men of Canada, but for the world, to settle. The Government was pursuing a vigorous course regarding the railway. The policy of the late Government was to construct it in disconnected sections. That absurd system the present Government had stopped, and the hope and the intention was to have, as speedily as possible, railway communication that would span the Dominion."

Here we have it published "far and wide" that offers were being made and considered, and we have the policy of the Government for a through line declared. Following this we had the announcement that members of the Government would proceed to Europe to endeavor to secure the best company and the best terms from capitalists. Months passed after these announcements; no advertisement ever issued by the Government of Canada had a wider circulation, or attracted so general notice. But, notwithstanding that, we do not find that a single man whose name is now upon the second Syndicate moved a finger or a pen, or uttered a word in the way of forming a company to construct that work — even the central section. If we look at that second Syndicate, and at its birth and history, and if we look at the men whose names are appended to that second offer we will see that it is dependent for its very existence upon the first Syndicate, and upon their contract having been consummated, and the Government being bound to that contract. Why, hon. gentlemen, you turn to the names of the gentlemen composing this second company — I have the list of them here, and I have the rating that Bradstreet gives to all of these. I have here the statement, and what do you suppose is the amount of capital that they are supposed in their persons — in their entire persons — to represent? Why, hon. gentlemen, it foots up to $2,671,000.

Hon. Mr. SCOTT — Preposterous!

Hon. Mr. McLELAN — I am only taking Bradstreet's figures and they are accepted by the mercantile world; they are the figures that would be looked at in England and on the continent, and wherever they might go in order to raise capital. It would be asked "What is the standing of those men, and what capital do they represent in their persons?" and Bradstreet would be referred to for information.

Hon. Mr. SCOTT — I know two of them who are worth a million each.

Hon. Mr. McLELAN — I know one gentleman who is put down here for a million, and you take him out of it, and you would have only $1,671,000 to represent the rest. There are several names of very excellent mercantile business men down for very considerable sums, large comfortable sums to carry on the ordinary business engaged in by merchants, but one-half the members are rated in the list I hold in my hand at under one hundred thousand dollars, some as low as five thousand dollars, and one at five hundred dollars. Two or three weeks ago, walking up to the Building with a gentleman not in politics, he said to me, "here comes a member of the new Syndicate;" he gave the name (it is not the lowest rated on the list) and added, "I had his note a short time ago for $250, and had very hard work indeed to get it discounted." The hon. ex-Secretary of State says there are millionaires on the list. I find one, and as he is so rated, I may, without offence, name him, Mr. Gibson, of New Brunswick, a most excellent man, the backbone of the company, but let us inquire a little how the company gets this backbone and whence it draws its strength and vitality, giving to the whole its life and existence. Why, hon. gentlemen, it is from the first Syndicate. Mr. A. Gibson, who is down on this paper for $1,000,000, is the man who deposited $500,000, nearly one half of the whole deposit — that $500,000 came from the old Syndicate. It was the money paid to Mr. Gibson by members of the first Syndicate in the purchase of the Woodstock and Rivière du Loup Railway. When the men of the contracting company were considering the proposition to take the Pacific Railway, they would naturally look to a through connection to the sea, and the facilities to distribute the great volume of traffic which it is hoped at no very distant day will come down that great highway. This Woodstock road attracted attention as presenting a link in the system, and was purchased by men of the first Syndicate. Mr. Gibson was a large stockholder in that road, which was yielding little returns. Excellent man as he is — millionaire as he is rated — it will be admitted, I think, that with over $800,000 locked up in that road, he was not in a position to make even a show of constructing the Pacific Railway. The purchase was made. Mr. Gibson was paid $840,000, and months afterwards joins the new company forming on the line of the Opposition policy and deposits $500,000 of the very cash received from members of the old Syndicate. We then reach the conclusion that but for the money paid by members of the old contracting Syndicate in completion of their system, the new company could never have had existence, no matter how great the political exigencies of the Opposition, and we have also the fatal conclusion that although existing and able to make the government deposit, it has not the strength at home or abroad for this great enterprise, and we may without hesitation put it aside as being unworthy of serious consideration, and come down to the proposition "Is it a good or a bad contract that the Government have made?" Now let us see what it is that the Syndicate have undertaken to do, and what is to be done. I have already stated it, and need not repeat it. The question is not so much whether the Syndicate has a good or bad bargain, but has the Government made sufficient efforts to secure the best terms possible, and are the terms better for the country than to proceed with the work by the Government, paying all cash, and disposing of our lands as we best can? Let us endeavor to find out what it will cost as a government work and judge our position. We have heard a good deal about estimates of the Government engineers, and there has been a great handling of what it is estimated to cost this year, and what it was another year, but I have come to place very little reliance upon the estimates that are made for railways constructed by governments. I have had some experience of them on the Intercolonial Railway, where we had to build five hundred miles of road through a settled country. After getting a large portion of it under contract; after getting careful estimates from the engineers, we reported to the Government that it would cost something like $17,500,000. When the expenditure had advanced we reported that it would cost $18,500,000, and the succeeding year, when we went along a little further, we felt confident we could do it within $20,000,000 — the sum that Parliament had set apart for it. But, hon. gentlemen, it was not finished and running until $22,000,000 were expended. In passing, let me here correct an impression that exists as to the cost of that work. The whole of the Government roads, which include the old roads in Nova Scotia and New Brunswick, previous to Confederation — the extensions since are now included with the road constructed by the Dominion, and all called Intercolonial — swell the cost up to $35,000,000, or, with the Point Levis connection and interest, to $45,000,000. The new road cost say $22,000,000 to start with. I have come to place very little reliance on the estimates of Government engineers as to the cost of this great work, especially when so much of it is through an unbroken and untrodden forest. Consider the difference. The Intercolonial Railway was through an old settled district, while many parts of the Canadian Pacific Railway will run through a country, as Mr. Mackenzie has told us, that was never trodden by the foot of a white man until the engineers went there. Therefore it is impossible that so close an estimate can be made for the Pacific Railway as was formed for the Intercolonial. Take for instance some of the work that has already been done. Take the sections that were let previous to the change of Government between Thunder Bay and Selkirk to the extent of 228 miles; a great deal of that is almost a prairie country for railway construction.

Hon. Mr. SCOTT — Prairie country?

Hon. Mr. McLELAN — A greal deal of it is not much heavier than prairie. There is comparatively little excavation in it except on Section 15. The 76 miles beyond is very light work indeed, as were the sections next to Thunder Bay. Now I take it that those sections of 228 miles will be about a fair average of all the work that is to be done on the 2,000 miles. You have got 450 miles through the Rocky Mountains, and 650 miles on the eastern section, making 1,100 miles which are admitted to be heavy. Put these with the prairie section of 900 miles, and you have 2,000 miles which will average, at least, as much cost per mile as the 228 miles put under contract by the late Government. Now, it may be asked, what is the difference in the character of the road? The character of the road will be in any case much the same. The late Government put those 228 miles under contract, to be completed with trestle work; that is, the road bed, wherever it crossed a valley, was to be set on stilts, and the bridges are wood in piers and superstructure. Those 228 miles have been completed — all except section 15 — on that specification. Now, what is the cost of those sections, which I claim to be a fair average of the whole work to be done? In 1877, we had the then Premier announcing in the House of Commons that he had 228 miles under contract—that it had been most carefully surveyed, that an estimate had been made, and that it was under contract. It was to be an excellent road, and to be built for $24,581 a mile.

Hon. Mr. DICKEY — And about equal to the Intercolonial in character.

Hon. Mr. McLELAN — Yes, and there was nobody present who had seen the specification, and who was able to correct the impression made by such a statement from the Minister of Public Works, whose road was on stilts, while the Intercolonial Railway was built on solid embankments, masonry and iron bridges; but this was his estimate, after careful survey: that he would have it running for $24,581 per mile. What has been the result? The work went on, and the road is about complete, and it runs up — as near as I can get to it, making allowance for equipment which is yet to be made — $33,000 a mile. This 228 miles, which I take as a fair average of the whole 2,000 miles which are to be constructed, would cost the Government, if they had to equip it, at least $33,000 a mile, at which rate the 2,000 miles would amount to $66,000,000. In addition to this there are 712 miles to be equipped, and, as I have said before, I have put the equipment of this road at very much less than it did cost to equip the Intercolonial Railway, and very much less than it will really cost to equip it — at $3,000 a mile, which will make $2,000,000; bringing the total up to $68,000,000, exclusive of interest at the very lowest calculation that it would cost the Government if they constructed it themselves. Then, in addition to that, hon. gentlemen, after the Company has opened the road and commenced to run it, there will be additional cost and additions to capital account every year. After we opened the Intercolonial Railway, and had it running, there have been additions to the capital account of from $400,000 to $900,000 a year, which in six years amounted to over $3,000,000. Assuming that the Government run this road themselves, and taking as a guide the losses on the Intercolonial Railway, which runs through a comparatively settled country, for the first six years the additions to capital account, the working expenses, and interest, there has been an annual loss of $2,000,000. Estimating the running of the Pacific Railway 2,700 miles, at one-half the loss — that is for interest and additions to capital account, and direct loss in the working expenses — and you have in five years, say $20,000,000 of an expenditure. Add this together, and you have at the end of five years after the opening of the road, a total expenditure of $88,000,000. You pay out to the Syndicate $25,000,000, distributed over a period of ten years, which deducted from the $88,000,000 would leave $63,000,000 as the cost to the Company, exclusive of interest, which will increase the amount largely over and above the $25,000,000 subsidy they receive, and for this $63,000,000 and interest they get 25,000,000 acres of land. Why, hon. gentlemen, I wish we could dispose of all our lands in the North-West at anything near that figure. The cry has been here, are we not giving too much land? I think the sooner we get rid of this land the better it will be for the Dominion, and the better it will be for the world. Hon. gentlemen in opposition seem to forget or not to realize the extent of our territory. I have here under my hand the "Physical Atlas" prepared by Dr. Hurlburt from the most reliable information to be obtained in the Departments and elsewhere, and map 6 shows the extent of grass lands of the Dominion, which he places as extending over an area of more than two million square miles or more than 1,200,000,000 acres. (Here the hon. gentleman exhibited a map colored to show the grass lands with the twenty-five millions proposed to give the Syndicate.) Hon. gentlemen can perhaps best realize the small proportion which this twenty-five millions bears to the whole North-West beyond Lake Superior by the accompanying diagram

1	2	3	4	5	6
7	8	9	10	11	12
13	14	15	16	17	18
19	20	21	22	23	24
25	26	27	28	29	30
31	32	33	34	35	36

showing 36 equal divisions, each representing twenty-five millions, any one of which represents what we give for building the road. Map No. 7 in the same way shows the region suited for cereals and the diagram is reduced to 24 divisions, one of which represents the proportion of wheat lands the twenty-five millions will take. In the notes to the map he says:—

> "South of the northern limits where wheat has been found maturing, east of the Rocky Mountains and west of Ontario there are some 950,000 to 1,000,000 square miles in the North-West Territories of Canada. This immense area of 600,000,000 acres lies in a similar position on this continent and with climates almost identical with the best wheat countries of the old world, the westernf northern, north-western and central parts oe Europe. It lies, too, in the valleys of the great rivers of the northern half of the continent—the Saskatchewan, Assiniboine, Red, Winnipeg, Peace, Arthabaska and Mackenzie, with probably a larger percentage of tillable soil than in any equal area in the old world."

Well, hon. gentlemen, considering the enormous extent of territory that we have there, and with the small proportion represented in the land grant for the construction of this work, there is no room for complaint that we are giving too much land. I say the sooner we can get rid of that land on the same terms as this the better for the Dominion, and for the world at large, in which there are so many poor suffering for bread. If I understand the position of the Opposition, it is that it would have been better to have held the lands and gone on and constructed this road as a Government work. That means that you must take all the revenues of the Dominion and concentrate them upon that work in the far West. What would the older provinces say to such a course? They all have public works that must be attended to by the Dominion Government, and if you apply the whole revenue of the country to building the Pacific Railway, instead of making the public land contribute to it, you will have a rebellion in the older provinces, more especially when there is an opportunity of getting rid of the work on the terms contained in this Bill. The subsidy has been spoken of as a payment of $25,000,000 cash down, but it is distributed over ten years. Sir Richard Cartwright says:—

> "Our obligation was not to pay the Company $25,000,000 on or before the 1st of January, 1882, but $25,000,000 in instalments, the last of which will mature in January, 1891. Our cash obligations to the Company would be fairly computed to-day at something like $18,000,000 or $19,000,000, and not $25,000,000."

The House will remember that the hon. ex-Secretary of State took the subsidy that the Government proposed to pay to the Syndicate, and by some mysterious calculation of his own, which I am sure I failed to comprehend, he arrived at the conclusion that the Syndicate would build the whole road, and have about $19,000,000, and the 25,000,000 acres of land worth $75,000,000. Talk about the greenback system. It is wholly eclipsed. Talk about the rag baby, why the rag baby is dead, and the ex-Secretary of State has buried it out of sight! I do not pretend to equal the old Scotchman who was asked if he could preach a sermon. "Yes," he said. "And can you divide it up in its different heads?" "Yes," he replied. "And can you draw the inference?" "Indeed, I can.' "Well, now, what inference would you draw from this text: 'The wild ass snuffeth up the east wind?'" "Aye, replied the old man, "I wad just draw the inference that he wud no get verra fat." Well, hon. gentlemen, I draw the inference that the Syndicate that constructs this Pacific Railway in the manner proposed by the ex-Secretary of State —the men who furnish the supplies, the navvies who do the hard work, the men who run the road, and every man connected with it will be snuffing up the east wind, and "no get verra fat." Nothing but the expenditure of millions of hard cash will ever bring that work to completion, and no process by which the hon. gentleman can bring out on paper, a balance of $19,000,000, in favor of the Syndicate will ever accomplish it. Various propositions have been made for the construction of this work. I do not propose to detain the House with a comparison of all the various offers and propositions which have been made, but I do say this, that taking the hon. ex-Secretary of State's own line of argument, that money is cheaper now and easier raised than it was in 1871 and 1874, the facts become stronger against him. Taking the rate of interest that we were paying in 1871 and the rate that we are paying now, it will not cost us more to raise $36,134,831 now than it did cost us when we offered the Allan Company $30,000,000. Or, if you take the reverse of it, the $25,000,000 at the rate we are paying for money now, would only be equal in reality to $20,755,000 as compared with the $30,000,000 in 1871. Taking the hon. gentleman's own line of argument, the comparison in all cases becomes more favorable to the present contract. Objections have been taken to the allotment to the central section being, as is claimed, out of proportion to the western and eastern sections. Hon. gentlemen should bear in mind that the first expenditure almost of the Syndicate will be the equipment of 712 miles of railway; this and to run it, will require a large amount of capital. Then, a large amount of capital will be necessary to provide plant for the whole undertaking, and to organize a thorough system of immigration. Whilst constructing the central, they must proceed with the eastern section. The cash subsidy given to the eastern and western sections will fall far short of the actual cost, and it is both for the interest of the Dominion and the Syndicate that a large amount of land should be given to the Syndicate for settlement as soon as possible. Some time must necessarily elapse before the Syndicate can have a return from lands to help provide the cost of constructing the eastern and western sections. It is essential to the prosperity of the North-West and the success of the whole that there shall be a large population put in there, and that you shall give over to the Company for that purpose, as soon as possible, as large an extent of territory as it is safe to do under the terms of the contract. All the land that the Syndicate can settle in the first years during the construction of the road will lie along the line, and the 900 miles over the prairie section will only give them sufficient land as laid down within the proper distance on each side of the line. But, if the gentlemen of the Opposition think that we should have held part of these lands and money and placed it directly upon the eastern and western portions of the road, what have they to say to their own Act of 1874? That Act divides the work into sections. It says "it shall be divided into sections," and it names them just as they are named in this contract. Then it goes on to say that $10,000 a mile shall be given to each and every mile, and in every section, and that 20,000 acres of land shall be given to every mile of every section of the road. That Act declaring that this subsidy should be given in all cases would give to that central section $10,000 in cash and 20,000 acres of land per mile, and in addition to that they propose to guarantee four per cent. or any sum the contractors and the Government might agree upon. We will drop the four per cent. We will put any valuation that any gentleman who has spoken on that side will mention upon the land; but $3 seems to be the figure about which they all cling. You have at that rate $60,000 worth of land, and $10,000 in cash, or $70,000 a mile for building the Central section. That is what they proposed to give under their Act of 1874. But some hon. gentlemen lay great stress upon the fact, or what they call a fact, that this measure will create a monopoly in the west — a monopoly which the hon. Senator from Charlottetown said would be like a malaria spreading over the land. I was, and am still, under the impression that the object of this Bill is to break up a monopoly that has existed in the North-West from time immemorial. The Indians, the buffaloes, the prairie dogs and the muskrats have had a monopoly of that country for ages, and the proposition is to break up the monopoly of barbarism and to give that country civilization, prosperity and advancement in the world. They say it is a monopoly because no other company can construct a railway to within fifteen miles of the boundary. The hon. gentleman opposite who spoke yesterday asked, "Would you give a river away?" and some hon. gentlemen said, "hear, hear." Certainly not if the river were open and free to the navigation of the world. But if it were obstructed and any individual should fit it for navigation by overcoming those obstructions, the country would give him a monopoly of it, and the privilege of exacting tolls for the use of it by others. The Government itself constructs canals and charges tolls upon vessels passing through them, and in that way has a monopoly of our rivers. A case occurred a few days ago, where one lumberman had made improvements on a river, and another lumberman passed his logs over the chutes of that river. The owner of the improvements sued him, and the Court decided that he had a monopoly of the works on that river. But why should these hon. gentlemen talk about a monopoly being created because of this clause in the Bill? Look at their own. Mr. Mills, while a member of the late Government, introduced a Bill in the other House for the construction of railways in the North-West, by which he created the very kind of monopoly that the same hon. gentleman now complains of. He says in that Bill:—

"No company shall be incorporated, under the provisions of this Act, for the construction of any railway having the same general direction as the Canadian Pacific Railway, or any branch thereof, at a nearer mean distance than forty miles."

People outside of Parliament reading that would take up that word "mean" and say it was mean to complain of a bill that allows you to go within fifteen miles of the frontier, when these gentlemen declare themselves that no one should go within forty miles of the Pacific Railway. Then they complain of the rates of freight, and contend that the road should be held by the Government in order that they might regulate those rates, and the ex-Secretary of State instanced the case of the Intercolonial Railway being held as a Government work, and that we came to this House to complain of the rates, and they were reduced. The fact is, that all the great railways of this continent: the syndicates, and companies, and individuals, that have been gathering in and strengthening their lines, have tended, under the management of the companies, to a reduction of the rates of freight, and it was only because the Intercolonial Railway was held by the Government — held by the late Government — that we had to come to this House to complain of the rates of freight. At that time all the railways held by private companies on this continent were reducing their rates for freight and were increasing the traffic upon their lines, whilst the late Government were increasing the charges for freight, and reducing the traffic upon the Intercolonial. I remember bringing this matter to the notice of this Chamber during the administration of the late Government, and of having cited numerous cases of reductions made by companies in the rates for freight; and having presented such a case as was unanswerable to the Government; and that, I believe, had some little influence in bringing about a reduction of the rates upon the Intercolonial. I say that, so far from being alarmed at the rates that railway companies may charge, we would have more cause for alarm if the line were owned by the Government, because governments will not watch so closely the interests of a railway and the wants of traffic as a company will. The Government are not so easily reached as a company is, nor so easily affected in their own interest or in their pockets; therefore, I claim that it is safer under a company that will carefully watch the pulse of traffic, and, in every possible way, seek to strengthen it; besides, we can, when there is need, reach them under the clauses of the general Railway Act. But hon. gentlemen also assert that this Company will hold their lands, and they have cited the case of the "Canada Land Company," which has held lands for 20 or 30 years, but the cases are quite different. The main profits of the Syndicate must arise from the settlement of their lands. What is the advantage of the Company undertaking to construct the Pacific Railway through that territory if they do not at the first possible moment settle the lands along the line. They must, in order to save themselves, either settle our lands which are sandwiched in with theirs, or settle their own. I believe the Syndicate cannot build that road for less than $50,000,000, and it would have cost the Government very much more, as I have attempted to show. Now, all that the Government pays is $25,000,000, which will leave at least $25,000,000 to be provided for by the Syndicate. They are under bonds therefore to the extent of $1,250,000 a year for the interest upon that sum at least, and they have also the expense of working the road of at least $6,000,000, so that the Syndicate is under bonds to the extent of $7,250,000 at the very lowest calculation—to sell their land or to people ours. Whichever way you put it, if they sell their own lands, or if they people ours the advantages will accrue to the Dominion.

The debate was adjourned until to-morrow, Mr. McLelan still holding the floor.

BILL INTRODUCED.

Bill (K) "An Act to incorporate the British Colonial Insurance Company."—(Mr. Allan.)

The Senate adjourned at 6 p.m.

THE SENATE.

Thursday, February 10th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

WINTER COMMUNICATION WITH PRINCE EDWARD ISLAND.

INQUIRY.

Hon. Mr. HAYTHORNE inquired if the members of the Government possessed any information as to the position of the *Northern Light.* He said: Private advices from Prince Edward Island state that the vessel has been for days in the ice, and that 26 passengers left, the vessel being short of provisions, and spent the night on the ice. The vessel is still in a precarious position, and some of the passengers are still upon it. If the Government are not in possession of any information at present, perhaps they can furnish some to the House to-morrow.

Hon. Sir ALEX. CAMPBELL—The Government has not heard anything on the subject for the last three or four days. Before that we had heard that the passengers had left, but that although the vessel was in the ice, there was no danger. I will inquire and inform my hon. friend to-morrow if we hear anything.

CANADIAN PACIFIC RAILWAY.

MOTION.

Hon. Mr. SCOTT moved:—

"That an humble Address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House, a copy of the Order in Council, passed in or before the year 1873, fixing Esquimalt as the Western Terminus of the Canadian Pacific Railway."

Hon. Sir ALEX. CAMPBELL — The Government have no objection.

The motion was agreed to.

PACIFIC RAILWAY BILL.

THE DEBATE CONTINUED.

The Order of the day having been called for resuming the adjourned debate on the Hon. Mr. SCOTT's motion, in amendment to the motion of the Hon. Sir ALEX. CAMPBELL "That the Canadian Pacific Railway Bill be now read the second time," by leaving out "now" and after "time" inserting "this day three months,"

Hon. Mr. McLELAN said: Hon. gentlemen, I am sorry to trespass further upon the attention and time of the House, but I shall endeavor to limit my remarks and make them as brief as possible to-day. When the House adjourned last evening, I was endeavoring to show that there need be no apprehension of a monopoly in the North-West under the Bill transferring the construction of this work to a Syndicate. I had shown, I think, that it was the interest of the Syndicate to dispose of their lands as early as possible and to settle that country in order that they might have a traffic which would pay the cost of running the railway and the interest upon the necessary capital that they would invest over and above the subsidy. This sum I place at $7,250,000, or for five years — the period for which I had made my other calculations — it would amount to $36,250,000. Hon. gentlemen will see that, having the Syndicate under so heavy bonds to dispose of their lands and to settle the country, there need be no great alarm that they would hold them for an increased value. All that the lands, if held, would increase in value would be lost in the annual deficit in the working of the road, and in the interest of the capital. Without population, hon. gentlemen know that the railway cannot exist, that they cannot meet the interest upon their bonds which they will have outstanding; and the probabilities are that they would otherwise have to go into bankruptcy and be sold out, as many other railways in the United States have been during the past year. I have here a statement showing that 31 railways in the United States, for the past year, with an aggregate length of 3,375 miles, with $166,000,000 bonds and $97,000,000 stocks, were sold under foreclosure of mortgage.

Hon. Mr. SCOTT — Between what years?

Hon. Mr. McLELAN — That was during the last year. In five years 228 roads, having a mileage of 20,000—nearly 23 per cent. of the present total mileage of the United States—and a nominal investment of $1,236,000,000, became bankrupt, and bankrupt mainly and solely, as we all must infer, from the want of traffic upon the roads. If this Syndicate should follow the insane practice of withholding their lands from settlement they must inevitably become bankrupt also; but if they settle the lands of the Dominion, and thereby secure traffic, then the ends we desire will be accomplished. But how are they to lock up their lands? How are they to get increased prices when we have intermixed with all the lands that they can hold — good, bad and indifferent — lands of the same quality and the same quantity, acre for acre, mile for mile, and farm for farm, which will be sold at a dollar and a quarter an acre? Hon. gentlemen have claimed that the Company will get the best lands. Why, under the system in which the lands are to be located — in alternate blocks of a mile square — if they get a good mile we will have an adjoining mile equally good, and the average price that we could get for it, under the land regulations which were published in October last, would be at the highest, one dollar and a quarter an acre. Taking the homestead lot for settlement and the pre-emption lot, of 160 acres each — the one lot free and the other lot at two dollars and a half an acre — we get in this way for the two lots an average of one dollar and a quarter an acre, from which deduct one-quarter as the cost of management, and the price obtained by the Government as the net receipts for the land, will, in the best belt, be one dollar an acre. Assuming that the Company hold their own lands and settle ours, how will the matter stand? You see with the average price of our lands, and with the facilities afforded by the railway, there can be little doubt that the lands held by the Government will be readily sold at the price I have named. What will be the result of the settlement of an equal quantity of land to that which we give the Syndicate — 25,000,000 acres? I go to the Census of the United States, and find that the returns of the quantity of land held by farmers there, improved and uninproved, is given. Taking the State of Minnesota, the improved lands there amounted in 1870 to 2,322,000 acres, and unimproved to 4,161,000 acres; making altogether 6,483,000 acres, the population is 439,000, which gives an average of 14¾ acres per head. I go to the State of Michigan, which had in the same year 10,000,000 acres of land in the hands of agriculturists, and a population of 1,184,000, and average of 8½ acres a head. Take our 25,000,000 acres, and put them in the hands of agriculturists, and you will have, at least, a population of 2,000,000. So that if the Syndicate does nothing more than settle the 25,000,000 of acres of land that we have intermixed with theirs, they will confer an incalculable benefit upon this Dominion. Then again, as a further guarantee, at the end of twenty years, if they are so disposed to hold their lands, the population there will have the power to impose taxation upon them; and if the Railway Company carry into that country a population that will pay for the cost of working and running the railway, that population will be sufficiently strong to control the taxation of that territory, and will impose such taxes upon those lands as will ensure their being thrown open for settlement. But, hon. gentlemen, it has been claimed by the Opposition, further, that although after twenty years, or upon the sale of any of the Syndicate lands, the municipalities will have the right to tax those lands, it is complained that they have no right to tax the roadbed and rolling-stock, or the property of the Syndicate. Why, hon. gentlemen, the municipalities would not be in any worse position if the Government, as hon. gentlemen opposite now advocate, should construct the road. No man supposes for a moment that if the Government were to build this road that it would give the municipalities of the North-West the right to tax the roadbed and rolling-stock. To us of the Maritime Provinces, it is a new proposition thus to tax the roadbed of a railway. We are more familiar, hon. gentlemen, in the Maritime Provinces — I speak more particularly for the Province of Nova Scotia — with the hardships endured by the first settlers in their efforts to gain a footing in the country. We are familiar with the recitals thereof, showing that the pioneers of Nova Scotia, and I presume of all the older provinces, endured hardships, suffered privations, and overcame obstacles greater than many men have overcome whose names are recorded in history as heroes. When the men of the older provinces had undergone all those hardships, when they cleared their farms, established cities and towns, and made the wilderness to blossom, then companies came to them and proposed to build railways, and asked them to contribute something towards construction. In some cases the right of way was provided, in others bonuses were given to the company. In the Province to which I belong the Government proposed to construct a railway, and in addition to the people of the counties through which that railway ran, bearing their share of the cost of construction, they were called upon and taxed to pay the right of way through those counties. And here, hon. gentlemen, a proposition is gravely made to us, the descendents of the people who endured all the hardships of settling this country, who have purchased and held the great North-West Territory at a cost, as the hon. Secretary of State says, of $10,000,000, and an annual charge of one and a quarter millions, exclusive of the railway, and are now called upon to contribute twenty-five millions more to complete this undertaking, and are gravely told that we should go further and provide that the people going into that country with all the advantages which we of the older provinces provide, should have the right to tax the railway. The Opposition have given various estimates of the value of the exemption, rating it as worth to the Syndicate from $5,000,000 to $20,000,000. Take any of their figures and their assertions, and it follows that no Syndicate expecting to construct the road would agree to be taxed unless you add to the subsidy just the amount which the privilege will cost the Syndicate, be it five or twenty millions. Now, hon. gentlemen, I say that, if in addition to all that we have done for the North-West, and all that we are now doing for that country, we should go down to our constituents (descendants of those who endured such hardships in settling the country) and say, "You who have taxed yourselves to provide railways in your own provinces, and spent so many millions in the North West to open up that territory by a railway, have, by our last Act, been called upon to provide five to twenty millions more that the people who go in there may have the right to tax that railway to which you have contributed so many millions," we would deserve to be driven out by the constituencies to which we returned. But men of spirit, desiring to go into the North-West to make homes for themselves, if they know anything of the difficulties that have been encountered in the settlement of these older provinces, would not ask us to subject ourselves to additional taxation in order to give them the right, when they go there, to tax the road that carries them in. They would not ask to be "borne on downy beds of ease," whilst so many have trodden "the thorny paths." The proposition is not only that we should advance the money to construct the railroad, that the settler may go in on a Pullman car, with all the luxuries and comforts of civilization surrounding him, but that we should increase our burdens to give the settler the right to tax the roadbed and rolling stock which furnishes those comforts and luxuries; aye, and they tell us that, unless we do, the settlers will not go in — that it will debar many. Well, hon. gentlemen, let them stay out. The men who would not go in there unless they had such a right are not fit to settle a new country; they are men who would be no good to the North-West, or to the world at large. Had such men lived in ancient times they would not have taken a step towards the promised land unless they had Moses under heavy bonds to provide them with quail and manna for all time. But the Opposition have piled up their millions for naught.

Hon. Mr. McLelan.

It has been shown elsewhere, in an admirable speech by Mr. Rykert, that this objection is a trifling one; that the taxes would only be a fractional sum that could be obtained, taking the rate of taxation existing in Ontario. But as objections melt away one after another, and the weakness of them becomes more apparent, new objections are started up. One hon. gentleman actually made the objection that settlers would not go in because the Company would not keep up their share of the fences — that this great work of constructing a highway to the North-West, for the opening up and settlement of that great country, was not to be gone on with because the fences were not to be constructed, or of a proper height! It is too ludicrous to be talked about. I almost felt like quoting that expression which has become historical in connection with the same North-West, "take away that blawsted fence," and I hope hon. gentlemen opposite will cease to bring forward such nonsensical utterances.

Hon. Mr. HAYTHORNE — I beg that the hon. gentleman's words will be submitted to the decision of the Speaker; is the hon. gentleman entitled to accuse a member of this House of speaking nonsense?

Hon. Mr. McLELAN — Hon. gentlemen, I withdraw the expression entirely; it may be a mere difference of opinion, and I will withdraw my opinion in the matter. But, in addition to all these objections, a cry has been heard "do not build a through line." At one time we are told that the value of the land is so great that, taking it at the valuation set upon it by hon. gentlemen themselves, we will be enabled to construct half a dozen railways; but then they come down to the position, "You should not build the line all the way through, because we are too poor, and a better line can be had that will give more traffic at a much less cost, and saving a great deal of land — the line to the Sault." And the hon. gentlemen strengthen their position somewhat by quoting the utterances of many members of this House and elsewhere, respecting the advantages that would accrue to the country from connection with the Sault. But these utterances were given in this

House and elsewhere on the supposition that we were not in a position, financially, to construct an all-rail route, and that it would be years before we would be. The question was raised here last year, and I remember having troubled the House with a few remarks on that occasion. The position I took was, that it was so important to the welfare of this whole Dominion, and to the North-West itself, that it was better not to be over hasty, but to husband our resources and work for an all rail route. And, hon. gentlemen, as we learn more of the extent of that country, my opinion is strengthened, and I believe that the impression will grow and strengthen upon the minds of the public, as they learn more and more of that vast country, of the great importance of having through connection with it upon our own territory. Make that highway upon our own territory a great channel of commerce between the west and the older provinces, and you may rest easy as to any further connections. If there is a trade at the Sault that is desirous of coming through Canada, when we have built this great highway, and the trade of the North-West is borne down over it, that connection will be made from the Sault; and the lesser stream will flow into the greater, as lesser streams always flow into larger. But, hon. gentlemen, suppose you abandon the Eastern connection, and you make the road to the Sault and connect with a line through American territory, and your means of communication are through American territory, what is the result? Why, that all the immigrants you start for that country (if not carried away by American agencies), are so poisoned by the stories they hear of the value of the American soil, and the advantages of settling in the United States, in passing through, that the probabilities are that they become dissatisfied with the North-West, and go back to the United States — led away by the impression made upon them when they were passing through. An hon. gentleman, the ex-Premier, gave his experience in a speech delivered February 21st, 1877. He says: —

> "The stream of travel ran through the United States, causing a loss of a greater or less percentage to us, both in immigrants and others, for a number of Mennonites, who were sent over the American route to the North-West, had been induced by speculative agents to settle in the States; and it did seem to him desirable as anything could be so, that, as soon as it could be done at a cost proportioned to the value of the work, they should be able to take the stream of travel to the North-West through our own territory."

Hon. Mr. SCOTT — *Via* the Thunder Bay Branch.

Hon. Mr. McLELAN — *Via* the Thunder Bay Branch?

Hon. Mr. SCOTT — That is what he refers to there.

Hon. Mr. McLELAN — But that line will be closed during part of the year.

Hon. Mr. SCOTT — Not while the emigrants are coming.

Hon. Mr. McLELAN — Whilst very many will come, and whilst there will be at all times a large travel to and from the North-West, this, being all rail, would be easier than via Thunder Bay, and would be mainly used.

Hon. Mr. SCOTT — The hon. gentleman knows that Mr. Mackenzie was defending the expenditure on the Thunder Bay Branch because emigrants to that country would go through to Thunder Bay by Lake Superior. Immigrants do not come in January, February and March.

Hon. Mr. McLELAN — My hon. friend proposes to make a line to the Sault, and, connecting with American railways, to use that as a highway to the North-West.

Hon. Mr. SCOTT — During the winter only, until we can build the other.

Hon. Mr. McLELAN — Do you propose to take up the track in summer? If not, it remains connected with the American roads in summer, and, either summer or winter, the man who gets on a railway here to travel to the North-West will remain on that road and travel by the American lines.

Hon. Mr. SCOTT — You force them for ten years, at all events, to pass through the United States.

Hon. Mr. McLELAN — But you ask us to force them for all time to travel through American territory.

Hon. Mr. SCOTT — I never suggested anything of the kind.

Hon. Mr. McLELAN — I say, if we reject this proposition, and act upon the suggestion of the hon. gentleman, and construct the road to the Sault, it is tantamount to declaring that the route shall be for all time through the United States.

Hon. Mr. SCOTT — Such a suggestion was never offered.

Hon. Mr. McLELAN — It is nothing else. Suppose the hon. gentleman should succeed in getting two millions of people in the North-West, he does not mean to say that they, or any large proportion, would travel by land and water *via* Thunder Bay and the Lake, even in summer? The main portion of travel will be, and must of necessity be, through the United States lines, and I say, if you succeed in getting the number of settlers into the North-West that the hon. gentleman expects (and it is not expected that this great railway shall pay working expenses until there are two or three millions of people there), you have that population in the North-West, and four or five millions in the older provinces, and the means of communication between the two populations would be mainly through American territory. I say, so long as you have that, you never can bring about that feeling of homogenity — of oneness — that is desirable in people living under the same laws. Previous to the opening of the Intercolonial Railway, we of the Maritime Provinces knew something of that. We know that this passing through the United States to reach one part of the Dominion from another tends to keep us comparative strangers in sympathy and interest; and it was not until the Intercolonial Railway was built, and we travelled through our own territory from one point to another, that we felt that we were one people, and should work to accomplish one end. I say, therefore, that so long as you make the main thoroughfare of travel and traffic with the North-West through the United States, you will have the feelings and interests of the millions who may go there to settle drawn and centred towards the United States. It has often been pointed out that the great leading railways which bound the Northern and Western States together commercially, united them in patriotic sentiment; and so with the South, — the sentiment of each following the lines of interest — the railways of the north, binding together the greater power, preserved the Union. I say that it is worthy an effort to get that great highway built, which shall bring about this oneness of sentiment throughout the Dominion, more especially when the lands of the North-West can be made to bear at least half the cost of the undertaking. The hon. ex-Secretary of State has referred to the amount that we are giving to the Syndicate, and he has added to that the cost of the work already constructed or under contract, and he has taken the extreme figures, including the surveys — all expenditures and all liabilities, amounting to $36,619,000, from which he deducts $1,000,000, leaving $35,000,000. Now, that includes the cost of all the surveys that have been made. I do not think it is fair, under all the circumstances, to charge that against the Syndicate.

Hon. Mr. SCOTT — That was the agreement with the Allan Company, that they were to recoup the Government for the surveys made prior to the contract.

Hon. Mr. McLELAN — I am only speaking of the contract now, and what is the present position of things. The United States spent very large sums in exploratory surveys in the country over which the Union Pacific Railway was built long before that line was constructed, and every railway that is run through a settled country has the advantage of the expenditure for surveys made at the expense of the Government. I think it is entirely fair to deduct from the sum which the hon. gentleman puts down as the cost of the surveys.

Hon. Mr. SCOTT — The Syndicate gets the benefit of it.

Hon. Mr. McLELAN — So does every railway company that runs through a settled country get the benefit of the surveys made at the expense of the Government.

Hon. Mr. SCOTT — But the line is actually located through the prairie section.

Hon. Mr. McLELAN — Yes, and it was changed by the Government because it was considered that the location was unwise and unsuited to the country. Would you charge against this Syndicate the cost of locating the line over the muskegs north of Lake Manitoba? If the hon. gentleman will not permit me to take from the amount the whole cost of the surveys, I think he will have generosity enough to allow me to take at least the cost of that location more especially, as we, in this Chamber, protested in our strongest terms against it. We never could rightly understand why that location was made; why it was taken away from the portion of the province fit for settlement. Hon. gentlemen from Manitoba asked for a committee in the session of 1876, and we had an inquiry, and it was shown that, looking to the colonization of the country and the strengthening of our position, it was right and proper to take the line south of Lake Manitoba. It will be remembered by hon. gentlemen who were on that Committee, that the position taken by the Government was that the northern route was shorter; but there is another reason given later by the hon. gentleman who was Premier at that time, which will be found in the Commons Debates of 1877. It was that the right of way would be cheaper where located. He says: —

> "Advantages were no doubt to be gained by running the road from Rat Portage in a more southerly route, and reaching Red River 20 miles further up, near the City of Winnipeg. Then this route passed through a comparatively settled portion of the country, some of it, at all events; and it would also pass through the centre of population. Apart from the engineering difficulties which presented themselves, and to which he would refer presently, there were other disadvantages. One of these disadvantages was that the route would pass through a place where the price of land was very high. The Government found themselves, even at Thunder Bay — a place which was still more recently settled — obliged to pay for every inch of land, for two miles along the river bank, at a cost in the neighborhood of $50,000. On the line they had adopted in Manitoba and the North-West very little of the land was in the hands of private parties."

Here we are in effect told that the road was carried away from the population and from the land fit for settlement and located over the swamps and muskegs north of Lake Manitoba, because the cost of right of way was so great at Thunder Bay; because the hon. gentleman was incompetent to protect himself from the Philistines, his friends, and paid over $50,000 for what was not worth as many cents. When the hon. Senator, now Minister of Inland Revenue, was ventilating this matter before Parliament, we never supposed that we were doing an incalculable damage to this country, and to the Province of Manitoba by that exposure. We did not think that we were frightening the Government from the valuable lands of Manitoba, and driving them to locate the road where it could only be done in winter over muskegs "measureless to man," so that they might not fall again into the hands of the Philistines as they did at Kaministiquia. The hon. ex-Secretary of State has drawn me away from the position I was taking, that the cost of the surveys should be deducted from the gross cost. Then, taking off the amount that was estimated by the engineers for the equipment of the road, and included in the gross sum, and the Canada Central, and we will have, as given elsewhere, $28,000,000 as the cost of the road that is now being done. But, hon. gentlemen, when you give them that property, which has cost this country $28,000,000, it does not follow that it is worth that amount to the Syndicate, or that it would cost them anything like $28,000,000 to produce it — all of it that will be of utility when you figure up the different items that have been wasted, and worse than wasted. I see an hon. friend smile; I know that he is thinking of the millions of dollars lost in the hasty purchase of steel rails — of the money thrown away at Fort Frances — of the purchase of the Neebing Hotel, and of the thousands expended on the Georgian Bay Branch; and then we have the cost of forty miles of railway that the Syndicate would not build. The instructions of the late Government to their engineers was to locate the line on the straightest and shortest route to the Pacific. They were so hasty to get to the Pacific that they they took an air line for it, regardless of the obstacles in the way, and to do this, and, as I have shown in the extract I have read, to get away from the settlements — away from valuable lands of

Manitoba — they made the crossing at Selkirk, necessitating the construction of 22 miles to Winnipeg and 18 more from Winnipeg to intersect the main line, making forty miles which could have been saved had they crossed at Winnipeg direct, throwing the line south of Lake Manitoba without the bend it now has when put south by the present Government. Then, in the location of the road up to Selkirk, it was given in evidence before a Committee of this House that, had the line been located more southerly and direct to Winnipeg, a saving of from $300,000 to $400,000 would have been effected. Estimates of both lines were made. The estimate for the southern line was about $360,000 less than the estimate for the line built. The actual expenditure on the line that was constructed was double the estimate. Now, doubling both estimates, you have a difference of $720,000, nearly three-quarters of a million, between the two lines. Take off all these expenditures, and you have not left much more than $20,000,000, and I am quite satisfied that, if you ask the Syndicate to do this work for $20,000,000, they would be only too glad to do it, instead of being charged $28,000,000. But, with all these deductions that must be made for useless expenditure, is it not amazing that the hon. gentlemen opposite who were guilty of this mismanagement should be desirous to continue the construction of the line by Government? They must be looking and hoping to come to the Treasury Benches, and to resume the management of public works. If they look at the history of the past, and at their mismanagement of this great work, they should see how fatal Canadian Pacific Railway construction would be to them. It has been said that the National Policy caused the death of the late Administration. That is true, but if they had had another life, that would have been taken by the Pacific Railway. If they had had nine lives, every life would have been forfeited by their mismanagement of that great work. No word of warning or counsel would be accepted; blindly and persistently they blundered on. The representatives of Manitoba protested against the location; to a committee of Parliament they showed the injury it was doing to that Province and the whole North-West, and, therefore, to the Dominion, but without effect. Other works, the Georgian Bay Branch, and the Rainy River improvements, were shown as clear as sunlight to be, the first unnecessary, and the latter, utterly valueless. The hon. gentleman who presides at the head of this House made it as clear as possible that the construction of that work at Fort Frances was not worth the paper upon which the order to go on with it had been written; that even when it would be constructed there were eight or nine other portages on the route, over which freight could not possibly pass. Although all this was made as apparent and as clear as sunlight, we had the Government persisting in that work; year after year they voted additional thousands in spite of the remonstrances of the country, and they went on determined at least to spend the public money. Why, hon. gentlemen, Mark Twain's blue jay in its frantic attempts to fill with acorns a knot hole in the roof of a great empty house was mildness and moderation, aye, it was wisdom and provident statesmanship compared with Premier Mackenzie's determined and frantic efforts to construct the Pacific Railway by digging a hole at Fort Frances, one hundred miles away from the line of road. Ah, hon. gentlemen, it is not the money we think of; it is not the hundreds of thousands of dollars that were wasted in this manner, but it is the mortification attendant upon it, of being made the laughing stock of the world. You who have read that blue jay story in Twain's "Tramp Abroad," will remember that when he finally abandoned the work and, exhausted, leaned up against the chimney and commenced swearing at his failure in the strongest blue jay vernacular, that all the blue jays in the neighborhood gathered round to examine the mystery, and when one old jay, perched on the half opened door, looking in, saw a ton of acorns scattered over the floor the mystery was exploded, and for years the hard worked jay was laughed at by all the feathered tribe, except one owl from the Maritime Provinces that never could see the joke. And so, hon. gentlemen, it is in this case; the mortification attendant upon the blunders connected with the construction of this work is greater than our regret for the loss of the money. I am glad to know, hon. gentlemen, that some person, for some reason best known to himself, is filling that hole with sawdust. I am glad it will be put out of sight, and, I hope, forgotten. But there comes the thought that in the distant future someone may stumble upon it. What a mystery it will be then for the world. What wise opinions will be formed as to what that hole was excavated for. The scientific world will be deeply interested in it, and learned reports to societies will be made and many opinions given by *savants* as to what the hole was intended for; and then comparisons will be drawn between the hole builders and the mound builders, and the conclusion probably reached that they were in many ways closely identical. Is it any wonder that the Government was defeated and killed at the last election? If there had been no National Policy to engage public attention, I say they would have been killed outright by their railway mismanagement. The remnant that returned here from the elections must have known and felt that they were dead on every question to which public attention had been called, and with ungrateful hearts and hasty hands they laid away the old leader who for five years had labored as scarcely ever man worked for that party. They acknowledged by their act that the old Mackenzie party had ceased to exist, was dead and buried; but, in their haste to form a new one, they forgot to give it a friendly epitaph. They left it to the cold charity of their opponents to record their misdeeds, each one to his fancy, just as the particular deed which took possession of his mind might lead. For example my hon. friend from Belleville who gave a good deal of attention to that hasty purchase of steel rails, that involved the country in millions of dollars of loss, would probably refer to that transaction in the epitaph. Then my hon. friend the Minister of Inland Revenue, who called our attention to that famous solitude on the far-off banks of that quiet, calm, slow-flowing river, that tortuous, ever winding, ever silting, ever sand-barred Kaministiquia, would bring in the transaction connected with the Neebing Hotel and town plot purchase. Or, if these two gentlemen would unite their powers in a kind of duet, they would give us something like this:—

> "Stark, stiff and cold as a rusty steel rail it lies,
> Where Kamin tiquia jobbers helped outlay it, their stolen pennies on its eyes."

And thus, one after another, would the huge blunders, the marvellous mistakes of that Administration fall into line when given by an opponent's pen. They themselves were in haste to form a new organization and take a new leader. They have the leader, but the principles and policy are wanting. A leader without armor or uniform, nothing but a few old fig leaves, gathered at Aurora, in his hand, but so dry that on the first attempt to make them into a covering they crumbled into dust and left him politically naked — naked and not ashamed. Nevertheless, hon. gentlemen, they are proud of their leader, and so are we all; proud of him as a great athlete in the intellectual gymnasium; proud of him as we are of any of Canada's sons who excel in any specialty; proud of the man who wins in the physical gymnasium; proud of the man; proud we are of Hanlan, and perhaps the pride we have in this leader is something akin to it. But the man in the gymnasium who can out-leap his competitors, or can balance himself most adroitly on the tight-rope; the man who scores the highest at billiards, or show the greatest science at lacrosse, are not the men who are foremost in contributing to the world's progress. Hanlan in his boat on the waters has not yet found his equal, but the Trade and Navigation Returns do not mention his name. If the world depended upon these men it would go backwards; if we waited for these men to sow the seed and gather the sheaves, there would be no "corn in Egypt;" and because this leader may be able to out-vault others in the intellectual gymnasium, and balance himself upon a sophism or a fallacy finer than a split hair, it does not follow that he is the best calculated for that legislation and that administration of the government that will tend to the happiness and security of the people, and the prosperity and progress of this country. The South Sea islander, naked and astride of his catamaran is said to exhibit marvels of skill and dexterity as he dashes through the surf and rides upon the storm tossed waves; but it does not follow that he should be given command of the Pacific squadron, or put in control of a valuable merchantman; nor does it follow that, because this leader, when the storm of debate is highest and wildest, can fling aside the surf and ride on the highest wave, that he should be put in charge of the ship of State. He has been placed in that ship as one of the crew, but all his labors are given to hinder her progress. No matter upon what course the ship sails, he endeavors to create alarm in the mind of all; always danger ahead. I remember hearing him in connection with this great Pacific Railway question a year ago, striving to create alarm, and have the ship headed for Kansas, and I could not help being reminded of one of our Nova Scotia captains, a very clever young man, but full of crotchets concerning the art of navigation, who spent nearly all his time at sea trying to discover some better system of navigation than that which existed, leaving his ship in charge of the officers at certain times, getting from them the courses and distances that the ship had made, to extend it on his chart, which he kept open on his table. On doing so on one occasion, he rushed on deck shouting wildly, "Hard down your helm! Hard down! Ready about!! We are going to destruction — right on the reefs in amongst the islands!!" Quickly, the ship was put about, and stood off and on, beating about for two days, with every man on board on the lookout for the danger. At the end of two days, the officer went to the captain and said he thought there must be a mistake, and he had better put the ship on her course again. "Mistake," said the captain, "no mistake; we are in a very critical position, destruction right ahead! Look at the chart! Look at the dangerous reefs and the cluster of islands right in our course!" The officer looked at the chart and replied: "Why, captain, there has been a fly on your chart, and that dangerous reef and cluster of islands is merely the tracks of the fly." So, hon. gentlemen, that pet fly of the late Government; that fly, which for five years was sheltered and fattened on the wheel of Grit policy, but driven off in 1878, has settled upon the new leader's chart, and the danger that he fancies and alarms him, is only the track of the fly. If the hon. gentlemen forming the Opposition anticipate ever coming to office; if they hope ever to manage the public business of this country, they should surely assist to have this work taken out of Government hands; for if Mr. Mackenzie with all his remarkable industry and doing "his incompetent best," lamentably failed, depend upon it there will not be success under a leader with a fly on his chart. Before closing, I should refer to the charge that has been made, that in this contract the Government sacrifices the National Policy; that policy which the country declared should be adopted; that policy which the Opposition so fought against. But I think it has been shown that there is no danger in this respect. I am sure that if I saw any danger of sacrificing that policy in the contract which is now before us, I should oppose that contract. I was one of the first who advocated that policy in this House. When the late Hon. George Brown returned, in 1875, from Washington with the proposition to throw open our country to the American manufacturer, free of duty — to have reciprocity in manufactures — I took the opportunity to express my strong disapproval of the proposition. Very few at that time were prepared to go so far as I did in the line of the policy adopted by the party, and accepted by the people in 1878, and strong as were my opinions then as to the value of such a policy to this young and growing country, they are, if possible, strengthened and confirmed by the experience the country has had under that policy; and, rather than have it sacrificed, as it is claimed it is by this contract, I should prefer to abandon the contract and postpone the work indefinitely. Anxious as I am for the success and prosperity of the North-West, I am more desirous of the welfare of the older provinces. But, hon. gentlemen, the National Policy is not in danger. The amount of material admitted under the contract, duty free, is trifling compared to the enormous amount of work it will give to all our industries. The expenditure within the Dominion by the Syndicate will reach at least forty millions for rolling stock, equipment, material for construction, maintenance of workmen and the multitude of incidentals connected with so vast a work. The manufacturers and producers of the Dominion will be more certain to have all this general work than if the road was being built by Government directly, because the Government could at any time order in as much of the rolling stock or other material, free of duty, as they chose, but the Syndicate must have all, except the few articles named, manufactured within the Dominion, which will help forward our own industries amazingly. And then the Government, relieved of all the weight of care and anxiety which this work has imposed, engrossing all their time and attention, will be able to devote more thought to the general business of the country — to study the workings of this National Policy — to fit the garment to the growing shoulders, and the better ensure our success. But it does seem to me very curious, very marvellous, that the men who so stoutly opposed the protection of home industries should now be so solicitous for them — so sensitive and fearful lest the National Policy should be sacrificed. It is not often that the boy is more careful of his garment than is the parent who, at great care, and toil and cost, provided it for him; but so it seems to me in this case, and they such naughty boys. How they kicked, and struggled, and pouted, and wouldn't have it; they declared the garment old and second hand, out of style, out of date, thrown off by the Mother Country, and they would be ashamed to wear it. Foolish lads! they wished to rank with the advanced politicians of Britain; forgetting that a principle or policy which one country has outgrown may be of the utmost value to one younger and less developed, just as in this young country, where household economy is so closely studied, there are thousands of lads and lasses clad in garments laid aside by parent or older member of the family, remodelled to suit younger shoulders; thousands thus clad receiving warmth, vitality and vigor of constitution, and all the more worthy of the manhood and the womanhood to which they aspire, and to which they are advancing, because of no foolish shame of the garments which to them have proved so valuable. Often were we taunted with the cry that this mantle of Protection was old and unfit for use, but we have worn it, and its value and power are becoming known and appreciated. Senators, I read in ancient sacred history that when the chariot of fire and the horses of fire had removed the old prophet Elijah, that Elisha, knowing the value of his old mantle, did not hesitate to take it up. And I read, furthermore, that that mantle, though worn by one and cast aside, and then taken up by another, had its old power. Elisha came to Kedron, and, with the mantle, smote upon its waters, and they parted hither and thither, and on dry, firm ground he passed to the other side. So with this mantle of protection. Although worn by England, until she attained so high a state of perfection in the mechanical and manufacturing industries, and so great prosperity, as no longer to require it; yet now, in the hands of our Government, it has its old power, for they, smiting upon the stagnant waters of depression which have so long overspread this land, they are parting hither and thither, and our people with this trade policy established, and this great national highway secured, shall henceforth tread on firm ground, and pass over to prosperity.

Hon. Mr. LEWIN — I have listened attentively to the various speeches which have been delivered on the subject of this Bill, expecting to hear various arguments and reasons given in favor of it. I have heard through those speeches from first to last, strong attacks upon the late Government; their forgetfulness, their misdoings, and their mistakes have been brought up in a variety of ways. We have even had again resuscitated the old s eel rails, the purchase and delivery of which in British Columbia were only an evidence of Mr. Mackenzie's honest intention to carry on the construction of this road to the Pacific Ocean. We have had other reasons given for the various mistakes which the late Government have made with reference to this road; but I have felt sorry that these attacks upon the Government have been intermixed with a good deal of personalities, and several hon. gentlemen have referred to my hon. friend the ate Secretary of State. Certainly personalities at all times tend to degrade debate, and I think there are few gentlemen who give less cause for personalities, and who use less themselves, than my hon. friend from Ottawa. (Mr. Scott). One of the reasons given for the construction of this road has been the old bargain made with British Columbia ten years ago, that the road should be constructed within ten years. Hon. gentlemen, that was simply a mistake. This country could not by any possibility have constructed that road within ten years, and the bargain or contract which was then made was characterized certainly, to say the least of it, by a degree of recklessness which was to be regretted; and I fear that this present Bill now before the House is an arrangement something in the same spirit. I have listened, also, most attentively for some reasons or arguments to be deduced why the second offer, that of the Canadian Syndicate, has not been accepted. No gentleman up to the present has attempted to say that that offer was not a better one than the one which is embodied in this Bill. Besides, the amount of money and quantity of land being less, those very obnoxious restrictions and monopolies which are contained in this Bill were not in the second offer. What reasons have we heard against it? First of all, it was said it was a sham; it was not sincere; that they never intended to build this road, but that it was made for motives and reasons which have not been explained here; and it was denounced as a deception. Gentlemen, I think the names of those persons who are connected with this Canadian Syndicate are not shams. I have the honor to be acquainted with many of those gentlemen, and the others I know by reputation. It is well known that they are earnest and sincere men who through their long years in business have conducted themselves in a manner that has been to their own interest, as well as advantageous to the country. One hon. gentleman observed that they had not the means of carrying out their offer; that they were deficient in property and capital. Why, hon. gentlemen, under this Bill a syndicate would require but a very small amount of capital; they would have the Government as their banker, at their back, and men of good reputation, men of standing and character, men of business capacity, could undertake it, under sub-section D of this Act, without any more subscribed capital than $5,000,000. The $1,000,000 which the Government require as security was placed by the second Syndicate in the banks, ready to be handed over to the Government, and I have not the slightest doubt in my mind that the gentlemen who composed that Syndicate were perfectly in earnest, and that they intended, and would have carried on the work. With the endorsement of the Government they had every possible advantage, under sub-section D, to enable them to do so. They had the lands, a large amount of lands, on which they would have given a mortgage. These bonds would have been endorsed by the Government of the country, and there is no reason why they should not sell in any market as well as other bonds of the Dominion of Canada. The reason of the rejection of the second offer has not been given in any of the speeches that have been made. It has merely been asserted that the members of that Syndicate were not sincere. The public at large, especially in the Maritime Provinces, have very often asked why the offer of the second Syndicate has not been accepted; but an answer has never been given. Now, there is another thing that strikes me with regard to this offer. If it is a beneficial one; if it is desirable to have this road built by a company and not by the Government, and there are many arguments that might be advanced in favor of it, why has not the whole road been put under contract? Why should the Government reserve a portion of the western end, which they construct themselves, and finish also the eastern end, and take ten years to accomplish it? The Government controlling the building of those two sections is one of the objectionable features of this Bill which have been raised at various times. Objections have frequently been raised to governments constructing works of that nature; that it leads to corruption and jobbery; and various other charges have been made against governments carrying out public works of this magnitude. Had they given out the whole work to the Syndicate, it would have silenced that particular argument. A great deal has been said about building the road north of Lake Superior. Various reasons have been given why the whole through route through British territory should be constructed, not at some future time when the country would be in a better position to do it, but at the present moment. Certainly it appears to me it was a hasty thing, and I cannot see any argument that has been deduced to show that the Sault route would not be the most desirable for the present at all events, whatever it may be in the future. It could be constructed at far less cost, and, if constructed, it would secure a large amount of traffic, tapping as it would a territory that is productive, and which would give freight to sustain a railway. An argument has been used that emigrants would be attracted to American territory by the Sault route, and that they would remain there. The fact is, that the country which holds out the greatest inducements to emigrants will attract them. If our country has greater inducements they will go to our North-West; but, on the other hand, if the United States offer greater inducements they will go there, and by constructing a railway through a thousand of miles of desolate and barren country it will certainly not be rendered more attractive to emigrants from Europe. There is one other curious section — section 15 — which prevents the construction of any road south of the Canadian Pacific Railway within fifteen miles of the United States boundary. Hon. gentlemen, we sometimes hear in this House as a figure of speech that a Chinese wall is being raised. When people are speaking of hostile tariffs they say: "You are raising a Chinese wall to prevent intercourse with our neighbors;" but it remains for this Act, practically and substantially, to erect a Chinese wall between the people in the North-West and their neighbors in the United States, and to say that a strip of land nearly 800 miles in length and fifteen miles in width shall be left without railroad accommodation. It does seem to me to be an extraordinary piece of legislation. Probably, in a few years we will see this section quoted as a curiosity of legislation. People will ask in what school of political economy the legislators of this age had studied, when they kept a number of settlers in the North-West separated from their neighbors to the south, and deprived them of that intercourse which would alleviate them of some of their sufferings, and assist them in forming their settlements. It is not my intention to go through the various arguments that have been used as to monopolies. They have been fully explained. Should that country become populated, and should it be formed into separate provinces, I believe that in passing this Bill we are simply sowing seeds of discontent and agitation for the future, and possibly something more extreme among those people. I have merely risen for the purpose of expressing my views, as well as giving my vote, against this Bill.

Hon. Mr. GIRARD — After the elaborate speeches that we have heard perhaps it would be quite as well for me not to say anything on this question, but it is a matter of so much importance that I feel it my duty to say a few words on the scheme which is now before the House. The statesmen who established this vast Dominion of Canada, could easily perceive that the point of attraction for British America was more to the West in consequence of the position of the confederated provinces, and a natural disposition to look to the centre in every enterprise; so understanding that in this confederation the centre was to be found more to the west, the cry went up from all of the Eastern Provinces that there was a vast territory of fertile lands in the North-West that offered great inducements to the youth of the country to go out there and settle upon them; and that they would find there as free a country as can be found anywhere under the British flag and British institutions. But though there were many advantages to be secured by settling in the North-West, there were also trials to be expected in the settlement of such a new country. Although the North-West had not been settled, it was not unknown; efforts had been made at times to colonize it, and I must admit without success. As far back as 1735 a man whose memory is much respected in that country (Varrennes de Pere Verendrye) pushed his way as far west as Thunder Bay, and following from Thunder Bay the track which has since been taken for the Dawson route, found his way to the banks of the Assiniboine, where he built a fort. This first expedition was followed from time to time by men who were known as the Coureurs de Bois. These expeditions were not undertaken with the view of colonization, but rather for the purpose of trading with the Indians. Later on, about the year 1805, Lord Selkirk, a courageous Scotchman and a true representative of his race, visited the North-West, and on seeing the promising appearance of that country risked his fortune for the advancement and prosperity of his countrymen. He returned to Scotland and organized an expedition of his countrymen, (Highlanders) and brought them out with him to Red River where they founded a settlement known as Kildonan, which was the name of their native place. The new settlers endured great privations for many years, but success crowned their efforts at last, and their settlement formed the nucleus of of the Province of Manitoba. I have heard many references as to the value the lands in the Province of Manitoba and the North-West. It is natural that these lands should have increased considerably in value within the last ten years, but previous to that what were they worth ? We could easily buy any quantity at less than $1 an acre; and at the present moment in the North-West I do not think that agricultural lands, except in some locality where there are old settlements, are worth over a dollar an acre; so that in the construction of this road under the present scheme the country is never to loose. It is the North-West which will in a great measure build the railway. Naturally the Company will find profit in it, for if we take a piece of land in its natural state we can, by our industry, and by the expenditure of money, render it of great value; and no one can object to our doing so. If these lands increase in value, it will be due to the intelligence of the people who settle upon them, and to the money that is being expended upon them at present and during the past ten years. The people from the older provinces who have come out there to settle upon our lands have brought with them large sums of money. I am happy to say that they have succeeded, and we have a country to-day that is one of the most promising portions of the Dominion. From the construction of this railway there is much to be expected; it is said that in that bargain we are giving too much land, and we are making too large sacrifices, but I do not understand in what way we make that sacrifice. The Syndicate will receive 25,000,000 acres of land; that is all very well, but everyone will admit that that land can only be increased in value by the construction of this railway. We may judge of the future by what has happened in the past; for ten years, as I have said, the agricultural land, except in the settled portions, has increased very little in value in consequence of the want of railway communication; but if we can, by giving away a section of 640 acres, thereby secure railway facilities, and increase the value of the next section to $5, we make a profit of $4 on the land that, without railway facilities, would be worth only $1. I will take the present occasion to remove, as far as possible, the impression that Manitoba and the North-West have been a burden on the Dominion. Since this discussion has commenced I have heard much value attached to Manitoba and the North-West; it was not always so, for I can remember how, session after session, it was said that Manitoba and the North-West were to be the ruin of the Dominion. Well, hon. gentlemen, I am glad to see that we have arrived at the time when Manitoba and the North-West are given the position to which they are entitled. In order to show the progress Manitoba has made within the last few years, I shall take the opportunity to read the following extract from the Montreal *Gazette*. Now, let us see how it turns out in figures:—

Customs duties..................	$1,576,000
Excise..........................	200,730
Timber dues.....................	28,863
Total...........................	$1,805,593

Less the following amounts for the same period:—

Subsidy	$804,019 20
Local improvements	258,386 11
Total	$1,062,405 31

Leaving a balance of over three-quarters of a million which Manitoba has contributed to the general government. You have helped our Province in its infancy, but you anticipate a large return from the investment. In ten years more it will be one of the best sources of revenue the Dominion possesses, through the construction of the Canadian Pacific Railway. It is a source of satisfaction to me that I have had a share in this great enterprise since I have had the honor of holding a seat in the Senate. Mention has been made of the course which I took in asking for a committee to endeavor to obtain justice for my Province. That Committee was struck and evidence was taken establishing the fact that many errors had been committed. I do not say that those errors were intentional but that there were errors is now generally admitted, and though they were not rectified by the late Administration, a better Government, having more at heart the interests of the country, has succeded them and adopted a wiser policy in administering public affairs. The original policy of 1872, to construct a railroad across the continent, was a good and wise one, and though it was beset with many difficulties, those difficulties were overcome. The progress that has been made with this great enterprise must convince us that the original project was feasible and could have been carried out without endangering the credit of the country. An hon. gentleman, in the course of this debate, quoted a remark which fell from Napoleon the Great at Moscow; I shall recall another remark of his which he uttered in the presence of some of his officers, representing to them that a position that he wished to capture was impregnable. The answer of the officers was: "If it is possible, it is taken; if it is impossible, it will be taken." In the same way we regard the construction of the Pacific Railway — if it is possible, we will build it; if it is impossible, we will build it again. Approaching the work in that spirit we are surmounting the difficulties which at one time seemed to render success impossible. I do not charge the late Administration with having been guilty of bad faith, but I regret to say through their policy the country was brought to the brink of ruin. All that they did towards carrying on that project was not only prejudicial to the interests of Manitoba, but was not advantageous to any section of Canada. I have no doubt that this road will be completed. We are pledged to build it, and even though we were not, we should carry out the original scheme in the interests of the Dominion at large, and to ensure our position as a portion of the British Empire. We must have a road of our own. The Sault connection has been advocated here. I do not say that the opening of that route would not be advantageous to Canada, but we must have an independent line of our own. Circumstances may arise when all-rail communication through our own territory will be an absolute necessity, and even though those circumstances should never arise, we should have a highway of our own for the accommodation of our traffic. I am not opposed to the Sault road, because I believe that progress accompanies railroads. I remember the remark once made by Sir George Cartier in Montreal, that the only way to advance the interests of Lower Canada was by building railways. He was not understood at the time; railroads were considered too expensive then. But the Grand Trunk was at length built, and its construction brought prosperity to the country and developed its resources. There are many wealthy parishes in the Province of Quebec whose prosperity is due to the Grand Trunk Railway. I do not object to the Sault Railway. If it should be built it will increase the facilities for communication with the North-West, but before everything else we must have our Pacific Railway. We must have it as soon as possible in fulfilment of our pledge to British Columbia. We in Manitoba have no such pledge from the Dominion. The circumstances under which we entered the Confederation give us no such claim, but, perhaps in the future, as a matter of justice, some indemnity will be given us for the sacrifices we are making for the Dominion. I know that the lands in the North-

West and Manitoba are the property of the Dominion, but at the same time they are our home, and we feel that that fact gives us a better claim to them than anyone else can have. I do not complain of our position. I merely observe that we cannot claim anything as a right in the construction of that road, but I am sure that from Keewatin to the North Pole, wherever this question has been discussed, everyone will rejoice to know that civilization is to be carried into the wilds of the west by its most active agent — the railway. We have heard many objections to this measure, but we cannot blame those who oppose it; we cannot expect them to confess the irtaults: at the same time we should not let this opposition prevent us from doing what is best under the circumstances. We have had a second offer submitted by certain gentlemen for the construction of this road — an offer which it is said will save us a large amount of land and money. No one is more desirous than I am to effect a saving when it is possible, but I cannot believe that these gentlemen are serious in their proposition. The first Syndicate is composed of business men who have no interest to serve but to make their enterprise successful. In the second Syndicate there are highly respectable men, it is true, but most of them have mixed more or less in politics, and they have entered into this matter in a party spirit, and would no doubt, feel very embarassed and mortified if they were taken at their offer. We are asked to ratify the contract which is before the House. We may accept or reject it. If we reject it, then the second offer will be before us, and we can give it serious consideration, but submitted as it has been since the first proposition was laid before Parliament, it looks to me very much like an attempt to embarrass the Government. I believe that the Pacific Railway instead of being a burden to Canada will be a source of profit. It will enhance the value of our public lands and enable us to sell and settle them. But we have been told that we are about to create a land monopoly in the North-West. I do not see how a monopoly is possible. This Syndicate will not own all the lands. Out of 250,000,000 acres of fertile land in that country they will own 25,000,000, and the Hudson's Bay Company own a portion. There are school lands, and the Dominion Government will retain some 150,000,000 acres itself. There will, therefore, be four parties in that country interested in disposing of their lands as rapidly as possible. With such competition a land monopoly is impossible. A complaint has been made that the Syndicate's lands will be exempt from taxation for twenty years. I see no cause for complaint. They are undertaking a national work; they are running a good deal of risk, and should have an advantage of this kind. A very large population will flow into that country, it is true, but it is not so easy for settlers to move into the solitudes of the North-West as it is for wild geese to migrate. It was right, therefore, that the Government should give the Syndicate this temporary privilege in the early years of this enterprise. The principle is not a new one. It is embodied in all railway charters in the United States. I congratulate the Government on having succeeded in making an agreement which will settle this question definitely, and relieve the country from all anxiety as to the completion of this important work. Everybody will rejoice at the success of the great statesman who controls the destinies of the Dominion, and hope that he may see the great work of his life — Confederation — completed by the construction of this highway across the continent, through Canadian territory. I know that every session during the nine years that I have had the honor of occupying a seat in the Senate, I have been obliged to travel through the United States in coming to the capital, and though I have always been treated with kindness and attention while on any journey, I have always been glad to reach Sarnia, and feel that I was once more on Canadian ground and amongst the Canadian people. I am glad to see this great work in such good hands, and hope, before many years, that we will be able to travel by rail, through our own territory, from Halifax to Victoria.

Hon. Mr. BAILLARGEON — The question of the day, as we are all aware in the Eastern Provinces, is the construction of the Pacific Railway. It is one of the most important measures that we can be called upon to consider. We have before us two propositions made by two companies of capitalists for the construction of this great highway. These offers have been discussed in both Houses of Parliament by the ablest members from both sides of politics, leaving nothing new to be said on the subject. I do not wish, therefore, to offer any remarks on the details of their proposition. I merely wish to place upon record my reasons for voting as I shall do upon the motion before the House. I find the conditions of the first offer too onerous for this country to carry out. They are too favorable to the Syndicate. They give them too much power, and make them, I may say, the lords and masters of a large portion of our best territory in the North-West; and we give them at the same time the ownership of the Pacific Railway, as well as of other lines which may be built hereafter to connect with the main line. I cannot accept such a proposition, and I shall vote against it, and in doing so I desire to state that I am not guided by party spirit or political feeling, but solely by considerations above those of party. If the Pacific Railway is to be built—if we are bound by our engagements to construct it, why not accept the offer of the second Syndicate. It is more advantageous than the other. It would save us $3,000,000 and 3,000,000 acres of land, and it does not ask for the privileges which the first Syndicate demands. This is a matter of very great importance, and deserves our most serious consideration. I do not wish to make any further remarks. I merely desire to define my position on this great question before a vote is taken.

Hon. Mr. TRUDEL — While I deeply feel the inconvenience of taxing your patience, I shall try to make my remarks as brief as possible. I should not have risen to address you this evening if the cry of "question," which was raised just now, had not led me to believe that a vote would be taken after but one voice had been heard from the Province of Quebec in this debate, and that voice against the construction of the eastern part of this great railway which is so much calculated to benefit the Province of Quebec. The subject has been pretty well exhausted, and very little that is new can be said upon it. In my opinion, we cannot properly interpret the scheme which is before the House unless we consider it not merely as a single proposition for the building of the railway, but as a part of our North-West policy. In fact the construction of the Pacific Railway is the laying of the keystone of the great structure of Confederation. I think the question loses a portion of its interest and cannot be fully appreciated when considered apart from the other features of the general policy. I shall recall some of the utterances of members of the Liberal party when the leaders of the Conservative party came before Parliament, and submitted that bold scheme of extending the boundary of Canada westward to the Pacific Ocean. I shall also recall the utterances of the same political party when the proposition was made to purchase the North-West. One mode employed by editors of Liberal papers in the Province of Quebec of calculating the heavy burden which that would place upon the shoulders of the people was, to state how many dung-carts would be necessary to carry the price of the territory and the cost of the building of the Pacific Railway in silver coin, and the same mode of calculation has been adopted every time that any new scheme has been brought forward by the Conservative Government, and we have had occasion five or six times a week to see that long procession of dung carts loaded with silver carrying away the amount of money wasted by our leaders, and the names of our public men printed everywhere in black characters. The question, I am ashamed to say, was not put in such a way as to give a very high idea of the intelligence of the people of our Province; but eventually those calculations, as well as a great many others, proved useless, and did not produce the intended effect. In spite of those dark pictures of the evils that this undertaking would bring upon the country, the Province of Quebec has always given its support to these measures. Perhaps it is not going too far to say that if we now have these hundreds of millions of acres of which the honorable leader of the

Opposition presented so flattering a picture, it is due in a very great measure to the faith which the Province of Quebec has shown in those measures. There is a certain part of this great question which although it has been referred to, has not been fully exhausted—the construction of the eastern section of the Pacific Railway. I think I express the sentiment of the whole Dominion when I say that the building of the Pacific Railway is the construction of a great colonization road. It is true that we build it to keep faith with the people of British Columbia, and if British Columbia had not entered the Confederation the scheme of the Pacific Railway would never have been entertained; but every statesman considered it as a great national colonization road, which would open up to settlement an immense tract of country, in fact not only our North-West, but all the immense region situated north of the great lakes. Now, since that road is for colonization purposes, I cannot understand why objection is taken to a portion of our country which needs so much to be colonized. I do not see why this railway that is to be a colonization road in the west should not be considered a colonization road in the east. It has been stated with a persistency which surprised me, that the country north of Lake Superior is so barren and desolate that it is entirely unfit for settlement. I had occasion two or three sessions ago to quote from reports of men of the greatest experience — Professors Bell and Macoun, appointed by the Province of Ontario to examine that country, to show this honorable House that the country was far from being the inhospitable land that it was represented.

At six o'clock the Speaker left the chair.

AFTER RECESS.

Hon. Mr. TRUDEL — Before recess I had the honor to say that this road, according to my opinion, ought to be considered simultaneously as a national, military and colonization road, and as one of the most efficient means of developing the resources of the whole country, and the making of our great scheme, for the building up of a great and powerful Confederation on this continent, a success. I had the honor to say that to my great surprise the opinion prevailed among certain hon. gentlemen that the country north of Lake Superior was entirely unfit for settlement. Of course I do not contend that that part of our immense territory can be compared to the fertile belt in the North-West; still, I venture to say that in such a great country as ours, that territory is not to be despised. It is a country of many resources, and is not so worthless as is represented by the gentlemen opposite. In the year 1867, I had the advantage of visiting a country called "L'Engardine," in Switzerland. In passing through that country I was surprised to see the houses built in such a manner that the windows and doors are about nine or ten feet above the level of the ground; I enquired the reason for it, and I was told that in that part of Switzerland the snow fall was so great in winter that sometimes they had as much as twenty feet or more of snow in that part of the country which is in the Alps. That country is unfitted for the culture of cereals, still I was told it was one of the wealthiest portions of Switzerland, and among the sources of wealth in that district the greatest was the raising of cattle. Of course I give this information as I received it; I had no opportunity to ascertain whether it was true or not, but I might say that the whole aspect of the country presented an appearance of wealth and trade that led me to believe that this information was correct. Taking this as a fact, I do not see why similar parts of our territory should be despised; especially when the cattle export trade has reached such large proportions that it promises to be one of the great resources of this country. I do not pretend to say from personal knowledge that the country north of Lake Superior is fit for settlement, but with the permission of the House, I will read some extracts from the reports of gentlemen who have explored it. Referring to the reports of different geologists, I find the following:—

"The exploration from Lake Nipissing to the mouth of the River Pic proved satisfactory. It was found that nearly the whole of the country through which the line is projected in this section, offers a fine site for the railway. Abundance of timber and a propor-

> tion of good soil is reported. (Rep. of 1877, p. 50).
>
> "Following the Lake (Nipissing) shore for about twenty miles, and thence striking directly to the mouth of Smoky River, twenty-eight miles from the starting point, the soil is good. About one-quarter of the distance is brule and the rest generally well timbered with pine and evergreen woods, and a variety of hard woods; thence to the fiftieth mile along the valley of the Sturgeon River, level and well timbered; soil good.
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> "Most of the distance up to this is surprisingly level, gravel and sand abounding, with some good soil near the rivers (and the country is all over crossed by rivers) where wild peas, oats and barley were seen growing luxuriantly, and abundance ot timber, spruce, tamarac, balsam, pitch pine, white birch and poplar.
>
> "Nearly the whole of the country through which the line is projected offers a fair site for a railway, and is what might be called a generally level country, comparatively but little rock existing in the immediate neighborhood of the proposed location. Abundance ot wood can be had, although much of it has been destroyed by fire. It consists of pitch pine, spruce, tamarac, white birch, balsam, cedar and poplar. In places the timber is small as yet. But little clay exists to the eastward of Notosogoma Lake, but abounds towards the Pic River."

Hon. Mr. SCOTT — The hon. gentleman has read a report that is entirely applicable to the Sault branch; a portion of the route is common to both lines.

Hon Mr. TRUDEL — It was exactly what I was going to say, that some part of this report applies to a portion of the route to Sault Ste. Marie, and is common to both railways, but going further west, Professor Macoun reports :—

> "During the summer of 1869, Professor R. Bell, of the Geological Survey, examined the region around Nipegon River and Lake, and reported that there were large areas of land, both in the vicinity of the lake and river, well situated for agricultural purposes. Speaking of the Nipegon country, he says :—'In the Nipegon country, the largest tract of good land appears to be on the southwestern side of the lake, from the Nouwatin River northward, to the Pagitchigama, a distance of fifty miles, the country is compartively level, and the soil generally fertile; but we could not ascertain from our explorations how far westward this tract extends. The Indians and others, however, represent it as continuing nearly to the River Winnipeg, and becoming more generally level in receding from Lake Nipegon. Some of the peninsulas in Lake Nipegon, within the above distance, are hilly, but the soil generally is good, even on these, consisting of a brownish loam sufficiently tenacious when moist to retain its form after being pressed in the hand. The rivers entering this part of Lake Nipegon, as far as examined, were found to flow with tortuous courses between muddy banks of clay, overspread with fine sand. The clay, as seen in the banks generally, appears sandy, from having become mixed with the overlying deposit; but when clean sections are obtained, it is usually found to be stiff, tenacious, and free from grit."

Hon. Gentlemen — Hear, hear.

Hon. Mr. TRUDEL — I do not attach to this expression the same political meaning as my hon. friends do. I would certainly regret the absence in that country of our excellent friends the Grits, who are so well disposed toward the development of that part of our Dominion.

> "A number of other localities are mentioned having a good soil, and capable of supporting a large population.
>
> "During the summer of 1869, I made extensive collections of the plants in the immediate vicinity of Lake Superior, and at some distance from its shore, and in no case did I find boreal plants, except close to the lake. Although the greater part of the land was covered with spruce, it was quite evident that if this were cleared away the land would be drier, and a different vegetiation would spring up. In the summer of 1870 very extensive fires took place, and much of this timber was consumed. My second visit confirmed the opinion I had formed on my first — that the apparent coldness of the Lake Superior region was caused by a superabundance of moisture. Even three years had made a change, and the vegetation now springing up was indicative of a drier climate. * * * I have no doubt but that much of the land on the eastern side of the watershed is suitable for cultivation, and that, taking as a whole, it is little behind many parts of the Laurentian country in Ontario."

I do not see why such a country as that should not be settled, or, at least, I do not see why we should underrate its value, and prefer to go through American territory rather than have a continuous all-rail route on our Canadian soil, when it is, as a whole, much better than it is represented to be. If the House will allow me, I will refer to some of the quotations made in another place by a gentleman whom I consider to be one of the best authorities on this subject in this country. I refer to Mr. Dawson, who has spent the principal portion of his life time in that district, and there are few men better acquainted with its resources. Mr. Dawson says, referring to the line which should be built on American soil, to connect with the Sault Ste. Marie Branch :—

"I do not know what authority the member for North Norfolk has for saying that the country to the south of Lake Superior is less difficult as regards railway construction than the north. My information leads me to a different conclusion, and anyone at all familiar with the south shore knows that after you get about 100 miles to the westward of Sault Ste. Marie, the country becomes very rough and broken. The mountains rise higher than on the north coast, and there are deeper river valleys between them. There is no possibility of getting an air line, and all the calculations as to distance which I have seen are based on air lines. In fact, a good line, or a moderately good one, cannot be found within a less distance than from 50 to 100 miles of the coast. A moderately straight line might be found from St. Paul eastward, by keeping well inland, but not from Duluth, and those who have been making estimates should add at least 40 or 50 miles to the distances they have set down. Nevertheless, I believe that if the Sault Ste. Marie line were built, the Americans would extend their lines to that place, and it would be the means of bringing in a large traffic to the country, not only by railways, but also by water from Lake Superior."

Speaking of the country north of Lake Superior, he says :—

"To the north of Lake Superior there are very considerable areas well adapted for agriculture, that wheat grows wherever it has been tried, that barley and oats give abundant returns, and that potatoes and garden vegetables come to perfection very much farther to the north. Our beautiful regions of the North-West are very far to the north of that, and at a very much greater elevation, but it suits some hon. members, in order to strengthen their argument, to depict them as a sort of agricultural paradise. It is a level country and its general altitude may be from 800 to 1,000 feet less than that immediately to the north of the great lakes, and this of itself would be equivalent to two degrees or more of latitude. This may be supposed to be a mere theory of mine, but I have facts at hand to sustain it. The employes of the Hudson's Bay Company at all their stations grow such cereals and esculents as they raise elsewhere, and the Government of Ontario has laid off several townships at the Pic and Nepigon, where the land is remarkably good, and its excellence proved by the abundant crops which it yields; and both these places, it will be observed, are at the extreme northern bend of Lake Superior, close to or beyond the 49th parallel of north latitude. But, admitting that the summers are rather cool immediately to the north of Lake Superior, the railway line touches on another region of which enough has come to light to show that it is capable of sustaining a large population. It passes near Brunswick House, on the waters of the Moose River, and at that place wheat has been successfully grown, but that is not to be wondered at, seeing that it is in the latitude of Paris. On descending the Moose towards James' Bay the country rapidly decreases in altitude, and for some two hundred miles we have a region spreading out to the east and west at only a moderate elevation above sea level. A climatologist in exploring a new country would, as a matter of course, ascertain the temperature of the rivers and lakes at different seasons, and by doing so he would be able to form some idea of the average temperature of the air. Lake Superior, as is well known, is an exceedingly cold body of water, its depth being such that it is affected but little by the heat of summer or the cold of winter. Its temperature, in fact, a few feet beneath the surface, is always that at which fresh water has its greatest density, or something under 40° Fahrenheit. This is a very low temperature for the summer months, and the consequence is that the climate of the country on the immediate borders of Lake Superior is considerably colder than the elevated region a little further inland. I was long under the impression that the water of Hudson's Bay, from all that we had heard of that great inland sea, must be at least as cold as that of Lake Superior, but we have now clear evidence to the contrary. Professor Bell, in the official reports of '77-78, says, in reference to his explorations of the southern sections of Hudson's Bay :—

"'During our journey up the coast and back, in the months of July, August and September, we enjoyed very fine weather the most of the time. There was very little rain and only two or three days of fog. The prevailing winds were from the southward and the temperature was warm and pleasant. The superiority of the weather over that of Lake Superior was a subject of frequent remark among my "voyageurs," who had been accustomed to that lake all their lives.

"'The average temperature of the air between the 11th of July and the 21st of September, from the above observations, would appear to be 62½ Fah., which is very nearly the mean temperature of the rivers; while the average for July and August would be 65½°. As most of these observations were taken in the morning or the evening, and as the nights were generally warm, owing to the prevalence of southerly winds, this is perhaps not far from the true mean temperature for these months, and it is only ¾° above the average of the mean temperatures, for these months, of ten principal stations from Halifax, N.S., to Fort Simpson on the Mackenzie River. On our return to Moose Factory in the end of September, we found that there had been no frost there all summer, and the most tender plants, such as melons and cucumbers, beans, balsams, tobacco, the castor-oil bean, etc., grow-

> ing in the open air, were still quite green and flourishing.'"

From this it would seem that as to climate it would place this country on an equal footing with that two degrees more to the south. These gentlemen, as we have seen, speak from their experience of the rivers which flow from the height of land towards the Hudson's Bay, and they say that from observations made during several months they found the water of James' Bay to be 15 degrees warmer than that of Lake Superior, and everybody knows that the temperature of water where there is no tide is the best test of the coldness of the climate. The average heat in the north of Lake Superior is 40 degrees, Fahrenheit, and the average in James' Bay is 53 degrees, which indicates a very considerable difference in favor of the climate of the northern region. The quotations I have just read are from the Debates of the Senate of 1878, and refer to the reports of the geological survey from 1867 to 1869; since that time those gentlemen have continued their explorations and they have since thrown more light upon the subject. Speaking generally of the country, Professor Bell says:—

> "In my report for 1875, I gave a general account of the soil, etc., in the region between the Great Lakes and James' Bay. Following the canoe-route from Michipicoton to Moose Factory, the country is more or less rocky as far as Missinaibi Lake (that is, a lake just beyond the water-shed at the head of the Moose River), yet even in this section the proportion of rock-surface to the whole area may be comparatively small. But after passing the "Swampy Grounds," north of Missinaibi Lake, the traveller cannot fail to be struck by the abundance and the general fertility of the soil exposed in the banks of the Missinaibi and Moose Rivers all the way to Moose Factory.
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> "It consists mostly of a brownish, somewhat gravelly loam or earth, resting upon 'till' and sometimes upon stratified clays or the solid rock, which (latter) however is seldom seen, except at the principal rapids and falls.
>
> "But in the central third of the section between Lake Superior and James' Bay, or from the Brunswick to the Long Portage, a light colored clay usually forms the surface. I examined the country for a mile or two back from the river in several places, for the special purpose of ascertaining the nature of the soil, and found it excellent in all cases, but tending to become more swampy in receding from the river in the Devonian region below the Long Portage.
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> "Samples of the soil were collected in a few places for subsequent examination.
>
> "In traversing such a great extent of almost unbroken wilderness ——

Hon. Mr. SCOTT — Hear, hear.

Hon. Mr. TRUDEL — I do not know what meaning my hon. friend attaches to those words, but I must say that a few years ago all this country was an unbroken wilderness ——

Hon. Mr. SCOTT — The only reason I call attention to it is that if it was a fertile region north of Lake Superior, it would have been settled.

Hon. Mr. TRUDEL — The hon. gentleman should apply the same argument to the North-West; that country is fertile, and why is it not settled? I fancy if my hon. friend had known the country north of Lake Superior as well as he professes to know it, he would not have spoken in the way he has of it during the last three or four years. I continue to quote from Professor Bell:—

> "In traversing such a great extent of almost unbroken wilderness, one is apt to forget the possible value of this vast region for agricultural purposes. But the examples of the farms at New Brunswick House and Moose Factory show, upon a small scale, what might be extended over a great part of the country. I have no doubt that at some future time this territory will support a large population."

Hon. Mr. SCOTT — I know that country perfectly well; I have been up at Nepigon.

Hon. Mr. TRUDEL — I had always given the hon. gentleman the credit of having been entirely ignorant of that country, because, if he had known it as well as he professed to, he should have given us the benefit of his knowledge, and not represented that part of the country as altogether inhospitable.

Hon. Mr. SCOTT — So it is.

Hon. Mr. TRUDEL — The hon. gentleman said two or three years ago, when he announced that Mr. Mackenzie had decided to drop that part of the road, that it was such an inhospitable region that the officers of the railway would not be able to live there to take care of the road.

Hon. Mr. SCOTT — Certainly, and I say so now, and I can prove it.

Hon. Mr. TRUDEL — The hon. gentleman has, during this debate, admitted to this House how much he was mistaken on previous occasions, and he will permit me now not to have unbounded confidence in his statements ; I do not doubt his sincerity, but I very much doubt the accuracy of his statements. I shall now quote from a book published under the control of the Ontario Government in which is cited a report by Professor Macoun, published in 1878. This report refers to that country as follows : —

> "Professor Macoun, in his report to the Dominion Government, after repelling the current opinion that the northern shores of Lake Superior are unfit for settlement on account of the severity of the climate, and remarking that 'the vegetation around Lake Superior is noted for its luxuriance,' thus describes the aspect of the country in the vicinity of the Kaministiquia :—'As the traveller proceeds up the river, roses (*Rosa blanda*) begin to appear. By the time two miles are passed, black-ash (*Fraxinus sambucifolia*) shows on the banks, and the undergrowth becomes almost identical with that of the rear of Hastings and Frontenac on the shore of Lake Ontario. A few miles further, and forms peculiar to a dry soil begin to take the place of those seen further down, while the alluvial flats along the river support a most luxuriant growth of just such plants as would be seen on any river bottom in Eastern or Central Canada. Thickets of wild plums (*Prunus Americana*), three or four different cherries, gooseberries, currants, raspberries and strawberries grow in profusion, interspersed with various species of Viburnum and other caprifolaceous plants. The herbaceous ones were very numerous and luxuriant, and these, including the wild pea (*Luthyrus venosus et ochrocolencus*) and the vetch (*Vicia Americana*), caused such tangled thickets that it was almost an impossibility to force our way through them. Wild hops (*Humulus Sapulus*) climbed up almost every tree. For the whole distance up to Kakabeka Falls there was a constant influx of new species having a westward tendency. Between Kakabeka Falls and the mouth of the river I detected 315 species, all of these natives of Hastings except eighteen.' Professor Macoun adds :—'I could see nothing in the flora to lead me to doubt the feasibility of raising all the cereals'"

And, after, it goes on to cite from Prof. Grant : —

> "The Rev. George (now Professor) Grant, in his popular work, says of the same district :—'The flora is much the same as in our eastern provinces; the soil light, with a surface covering of peaty or sandy loam, and a subsoil of clay, fairly fertile and capable of being easily cleared. The vegetation is varied, wild fruits being especially abundant, raspberries, currants, gooseberries, and tomatoes; flowers like the convolvulus, roses, a great profusion of asters, wild kallas, water lilies on the ponds, wild chives on the rocks in the streams, and generally a rich vegetation. It is a good country for emigrants of the farmer class. The road, too, is first rate and the market is near.' 'The valley of Kaministiquia,' he goes on to say, 'is acknowledged to be a splendid farming country. Timothy grass was growing to the height of four feet on every vacant spot from chance seeds. A bushel and a half of barley, which was all a squatter had sown, was looking as if it could take the prize at an Ontario Exhibition.' Thirty years before Professor Grant's visit, Sir George Simpson had been equally struck with the evidences of fertility of this region. He says :—'The River (Kaministiquia) during the day's march passed through forests of elm, oak, pine, birch, etc., being studded with isles not less fertile and lovely than its banks ; and many spots reminded us of the rich and quiet scenery of England. The paths of the portages were spangled with violets, roses, and many other wild flowers, while the currant, the gooseberry, raspberry, plum, cherry, and even the vine, were abundant. All this bounty of nature was, as it were, imbued with life by the cheerful notes of a variety of birds."

And Mr. Dawson remarks :—

> "But taking the region further to the east, there is a very easy route to Hudson's Bay, by way of Black River, which enters Lake Superior at its great northern bend just opposite the Slate Islands. By this route the distance is only 175 miles to a point on the Kenogami River whence the navigation is uninterrupted to Hudson's Bay, and of this section the authority from which I have quoted, goes on to say :—
>
> "'With the exception of a few rocky ridges and knolls in the upper part of the river, the country through which the Kenogami flows to join the Albany River, is uniformly level. Terraces or banks of brown loam and gravelly earth from ten to forty feet in height are to be seen all along the Kenogami and around Pine Lake, sometimes close to, and at others a short distance from the banks. The soil in the neighborhood of the river is good. The timber is principally spruce, balsam-fir, white cedar, tamarac, white birch and aspen. Some of the larger spruces and tamaracs have been found to measure as much as from four to five feet in girth, at five feet from the ground, but the average diameter of the trees is about eighteen inches.'
>
> "In another place it is stated :—
>
> "'For the whole course of 250 to 270 miles to the sea, the Albany is from twenty to thirty chains in width, from five to twenty feet (averaging about eleven feet) deep, and has a mean velocity of three miles an hour. In the opinion of Mr. Bell, the river would, except in very low water, be navigable by powerful steamers of light draught all the way from its mouth to the Falls. At Martin's Falls is a Hudson's Bay post, "where hay, turnips, and

potatoes have, for a long time, been successfully cultivated, and cattle thrive well." The river is open, as shown by the journal kept at the post, for six months in the year.'

"And the writer goes on to say :—

"'With one sweep of 270 miles, the distance in which any interruptions to an unimpeded traffic occur, is thus reduced to less than 200 miles between the great inland lakes and the ocean, and there does not appear to be anything in the nature of the country to make such local improvements as may be needed to facilitate travel or the carriage of freight unreasonably expensive.'"

I invite the hon. members to read all that speech of Mr. Dawson's, which, in my opinion, contains very valuable information. It will be found in the Commons Debates of the 12th of January last. Now, hon. gentlemen, if this country is of the character represented by Mr. Dawson and others who have reported upon it, and we have an opportunity of building the all rail route through it — when we have the opportunity to put the last stone on that great monument of our Confederation and of our North-West policy — I ask if it would be wise on our part to stop this gigantic enterprise and place the management of such important interests in the hands of men who professedly come to this House with a policy not to build that part of the Pacific Railway, and to keep us dependent upon the United States perhaps for ever. I recollect the hon. gentleman from Ottawa saying — either last year or the year before — that none of us would live to see that part of the Pacific Railway constructed; that it would be constructed by our grand-children; and, if he persists to-day in his opinion that the country north of Lake Superior is wholly inhospitable and uninhabitable, hon. members who are interested in seeing the road built must feel the danger of allowing the management of this great work to fall into the hands of men who have decided to abandon it or postpone it indefinitely.

Hon. Mr. SCOTT — As the hon. gentleman has connected my name with this allusion, I would like him to understand this much, that the latter part of Professor Macoun's observations apply altogether to the Kaministiquia, and I have never disputed the fertility of the Kaministiquia valley. But the hon. gentleman's observations apply to a district several hundred miles east of that. The distance from the Kaministiquia to Nipissing is over 600 miles, and the greater portion of that is uninhabitable, and in my opinion will never be inhabited.

Hon. Mr. TRUDEL — Are not the Nipegon and the Pic about half way between Kaministiquia and Nipissing? The hon. gentleman ought to have remarked that the explorations had not been made all over the route, but the explorers were informed by the Indians that the good country continues, and improves as far as it extends. There is one important fact confirmed by those reports, and it is this: that according to the great general law of heat and cold which we find in all the countries of Europe as well as America, coldness of climate does not so much depend on the degree of latitude as on the elevation of the soil; that north of Lake Superior tender plants and cereals grow luxuriantly, and that the country is not such an inhospitable one as it has been described by the hon. leader of the Opposition. Now, taking our policy as a whole — the purchase and organization of the North-West, the accession of British Columbia, and the building of the Pacific Railway — if we can succeed in constructing the all rail route without increasing the burdens of the people, I contend that it is a result of which we may well feel proud. This was our policy when in opposition, and our present course is perfectly consistent with our past record. Now as to immigration. I was surprised to hear an hon. gentleman from New Brunswick say that the settlement of our North-West did not depend at all on the route which the immigrant had to follow. He said that if the North-West commended itself by the excellence of its soil the immigrant would find his way there. This may be true to a certain extent in a speculative point of view, so far as wealthy settlers are concerned, but, hon. gentlemen, we have something before us more reliable than a speculative theory; we have had a sad experience; we have expended large amounts of money to secure emigrants for our North-West, not one in twenty of which have reached our territory. They have had to go through the United States, and over United States railways, where they have met American railway agents who have offered to them as great, though not superior, advantages to settle south of the line. It is very clear that in this way emigrants have been induced to accept what they consider to be a certainty in the United States, rather than travel several hundred miles further for what may be an uncertainty in Canada. It is a fact, recognized by all statesmen in the United States, that it is immigration that has built up the United States; it is the principal element in the progress and success of that great country, and, until we have the control of an all rail route through our own territory to our North-West, summer and winter, we cannot expect to succeed in the Dominion. Now I come to this contract. It has to be examined from a political as well as from a financial point of view. Last year, and several years before, both Houses of Parliament expressed their desire that this road should be built, all through, from ocean to ocean, and that some scheme should be adopted by which its construction should be secured without adding to the burdens of the people of the country. Resolutions were passed in 1879, placing at the disposal of the Government 100,000,000 of acres of land for that purpose :—

> "7. *Resolved*, That it is further expedient to provide (1) that one hundred million of acres, and all the minerals they contain, be appropriated for the purposes of constructing the Canadian Pacific Railway."

What is the meaning of those resolutions passed by both Houses of Parliament? Is it not equivalent to a mandate to the Government to take these 100,000,000 of acres of land placed at their disposal, and to adopt the best means in their power to construct the Pacific Railway? Are we not all bound in honor, we who have given the authority, to ratify the agreement as long as that authority has not been exceeded? Supposing it was not the Government, but a private individual who had this road to build, and he had this large amount of land under his control to do it with, and would say to his agent: "Here are 100,000,000 acres of land at your disposal, go to England and make the best arrangement you can with a company to build this railway;" would not the individual be bound by that mandate to his agent? But this contract, it is said, is dependent upon the will of both Houses, and the agreement is conditional. Very true, it is conditional; it is conditional for Parliament, but not for the Government. If I understand the situation properly, the refusal of Parliament to sanction this contract would necessitate the resignation of the Government. I do not pretend to be a constitutionalist, but I do not think it can be understood otherwise. Now, would it be honorable or business like. after giving to the Government a mandate of such latitude, to repudiate the contract entered upon in good faith by them, when they have not exceeded the powers conferred upon them by Parliament when they accepted the best offer? I do not think it would. The hon. gentleman who addressed the House before me against the Bill, felt it his duty to state that he was very independent of the Government. I venture to say that we, his colleagues of the same province, belonging to the Conservative party, are at least as independent as he is. I will go further, I believe we are more independent than he is. Everybody knows how the Government treats the Conservative Senators of the Province of Quebec — that we have no personal interest either in the defeat or in the maintenance of the Government. That leads me to refer, *en passant*, to the second Syndicate. Is it possible that the men who submitted that offer could have believed when they made it that they would be called upon to enter into such a contract? Certainly not, because they must have seen that the Government were bound in honor to the agreement they had made with the first Syndicate — an agreement arrived at after months of negotiation and careful investigation. But they thought they would place the Government in a dilemma — they would either be defeated on this question and be obliged to resign, or they would be placed in an awkward position before the country by having refused a lower offer than the one they had accepted. If the Government refused their offer they ran no risk of having to go on with the work on the terms of their agreement; and if the Government resigned they would then have to deal with men who, I am sure, informed them beforehand, that they would not be asked to construct any portion of the work but the prairie section, that is, the easiest section, for a higher price than that of the first Syndicate. It has also been contended that no tenders were invited for this work. Was it not known to the whole world that the Government had placed at their disposal by Parliament 100,000,000 acres to offer to capitalists, for the construction of that railway? Was it not also well known that some of the Ministers went to England for the purpose of floating a scheme for the prosecution of that work? The principle upon which public contracts are made is well understood. It happens very frequently when a contract is awarded and the terms become known to the public that a general opinion prevails that the prices are high. But it never enters into the mind of anybody to come to the Government and say, "That contract you have let is too high; I will do it for less." It would not be fair to admit such a principle, and I do not think such a proposition would be entertained. So much for the political side of the question. As to the financial point of view, I do not profess to know much about the monetary side of the question, but there is one point which strikes me. As my hon. friend from Londonderry has said, thesum which will be required for construction will be all hard cash, for which the Syndicate will have to provide. We give $25,000,000 in cash and 25,000,000 acres of land. It is said by gentlemen in the Opposition that this land is worth from three to five dollars per acre, but I think the most competent judges do not estimate it at any such figure. For instance, my hon. friend from Manitoba (Mr. Girard) has stated that, as a general rule, it is not worth more than one dollar an acre. There is a very easy way to ascertain its true value. Those men who think there are millions of money to be made by the Syndicate out of this contract, and who estimate the value of the 25,000,000 acres at $75,000,000, have an excellent opportunity to show their sincerity. To estimate the real value of these lands, we cannot take the price of a few thousands of acres, but of 25,000,000 as a whole. Let them make an offer of $25,000,000 for 25,000,000 acres, and I believe the Government will accept it. I believe the Government would be justified, and would meet with the approval of the country, in amending the law, and proposing to Parliament to sell that amount of land to the second Syndicate —

Hon. Mr. AIKINS — Hear, hear.

Hon. Mr. TRUDEL (continuing) — and placing the $25,000,000 to be derived therefrom in the public treasury, to be applied to the payment of the balance we have to provide for the construction of the Pacific Railway. If they are sincere in their valuation of $3 an acre they will make a clear profit of $50,000,000. I would go further. I would say, why not sell 175,000,000 or even 200,000,000 acres of this land to any company who will take it at one dollar an acre, cash down, and apply the proceeds to paying off the whole debt of the Dominion. This would be a profit of $400,000,000 offered to future syndicates. Supposing that the Premier, when he was in England, having power under the Act of 1879 to dispose of this 100,000,000 acres of land for the purpose of completing the Canadian Pacific Railway, had telegraphed to the members of the Senate and of the House of Commons, "Gentlemen, you have placed 100,000,000 acres of lands in my hands to construct the Pacific Railway, but I can do better than that. Give me your approval, and with 80,000,000 acres I can have the Pacific Railway finished, the $28,000,000 already expended recouped to us, and reserve to the Dominion 22,000,000 of acres." Is there a gentleman in either House who would have refused his consent to such a proposition? I put the question to the gentlemen of the Opposition, and I know that they have enough patriotism in their breasts to say they would not have refused. I have before me the speech delivered by the Hon. Mr. Mackenzie at the time the proposal to place 100,000,000 acres of land in the hands of the Government was made to Parliament, in which he said :—

> "But I am informed that notwithstanding all our efforts, we signally failed in obtaining one single offer (there was one imperfect offer made) for the construction of the railroad on those terms, which were the grant of 20,000 acres and $10,000 cash per mile, with a

guarantee of 4 per cent. upon such balance as might be represented as necessary. No terms could be more explicit; it would be difficult to mention terms more favorable, and yet the hon. gentleman seems to expect by his speech that the colonization scheme, with the 100,000,000 acres instead of the 50,000,000 acres and $30,000,000 current money, is somehow or other to succeed in getting this road built. His own remarks showed to-day that it is utterly useless at present for him to expect British railway contractors, or great financial firms to engage in any railroad enterprise on this continent."

"But," the hon. leader of the Opposition has said, "things have changed since then, and we find that American railways are selling their lands at from six to ten dollars, and even twenty dollors per acre." We must remember, however, that the American railways have been selling some of their lands for years at those prices, but not all of them, and we are not told anything of the expenses connected with the sale and management of these railway lands. There is another point. Hon. gentlemen, when they mention such prices, do not state the quantity per mile given by the American Government to the railways. It is in many instances three times more than the quantity they are complaining of. Since they make a comparison with the grants of the United States companies, they should make it complete. We were shown here that some of the Western States, with millions of population, had not 25,000,000 acres under culture. That shows what time will be required to sell the 25,000,000 acres and refund their moneys. Some years ago, a gentleman in Montreal sold hundreds of acres of land in the city at from two to three cents per foot. The purchasers divided it up into lots and sold a part of it immediately at from 20 cents to 45 cents per foot. Everybody considered it to be an immense speculation, and the old gentleman was said to have been very unwise to have parted with his property at such a low figure. But to the old man it proved to be as good a bargain as it was to the men to whom he had sold. The contract before us involves a vast question in which there are a great many points worthy of consideration. In passing that contract, the Government had to secure the principal elements for the prosperity of the Dominion, that is: an all-rail route on Canadian soil, connecting the Atlantic with the Pacific, and uniting all the provinces — a military route, a colonization and emigration road, to people our vast North-West; our pledges to British Columbia redeemed; adequate advantages secured to the older provinces; a fair return to the treasury of the Dominion; the country relieved of an immense burden, and of the uncertainty which that question involves. Each of these points would have required special consideration; but I think I have said enough to show that all who give this measure their loyal support are doing nothing more than their duty to their country.

Hon. Mr. DEVER — After the able debate that has taken place on this question, it is with some reluctance I rise to make a few remarks, but I feel that every hon. gentleman holding a seat in this Senate has a right on his own behalf, as well as on behalf of the people whom he represents, to give his reasons for the vote he may record on a measure of this importance. I must say that I regret the many personal remarks that have been introduced into this debate. It would be preferable at all times, if possible, to keep to the subject before the House, and arrive at a just and proper conclusion as to whether this measure is one that should receive our sanction in the best interests of the country. I cannot conceive why we should resuscitate shortcomings of the Government that have passed away, and for which they have received due punishment at the hands of the people, or that it can be any gratification to hon. gentlemen to gall the feelings of their opponents on matters that are not pertinent to this measure. I certainly cannot commend the practice of placing words in the mouths of hon. gentlemen which they do not give expression to. I believe that all are equally anxious to see the through transcontinental railway constructed, and equally desirous of fulfilling our engagements with British Columbia, however we may differ about the mode. I do not desire to occupy the time of the House unnecessarily after the exhaustive discussion that has taken place on this subject in both branches of Parliament, but I deem it my duty, as far as my ability will permit, to place before you in a concise and simple form the view I take on this measure. The beginning of this scheme, to my mind, was the Allan contract. That contract offered $30,000,000 of the public money and 50,000,000 acres of land as a subsidy. If that contract had been carried out, I believe it was the best scheme that ever was presented to Canada for the construction of this railway, but, as that contract was defeated, I cannot conceive that we can now use it for any purpose except as a standard of comparison. The next step in the history of this railway was the Act of 1874, as submitted to Parliament by the Hon. Mr. Mackenzie. That Act, if I remember rightly, I had the honor of voting for. I looked upon it as an excellent measure for this country, and, if we had been fortunate enough to secure the construction of the Pacific Railway under that Act for a subsidy of $10,000 in cash and 20,000 acres of land per mile, I believe it would have been a very satisfactory arrangement for Canada, but, like the Allan contract, it failed because of no offer having been made to construct the road under it. We now come to Sir Charles Tupper's resolutions, 1880. We find that, in the debate on those resolutions, the question arose as to the possible amount it would cost this country to complete this road. In that debate the Hon. Mr. Blake expressed his opinion in these words :—

> "According to the old system of construction, the central section would cost, including the other items I have mentioned, altogether over $42,500,000, leaving out entirely both ends. What are the ends to cost? $45,000,000 is, as I have stated, the cost from Edmonton to Burrard Inlet on the west, and from Fort William to Nipissing, on the east. The hon. member for Lambton estimates it at a length of about 650 miles, and a cost of $32,500,000. Thus the ends make up together $77,500,000; the centre, and the past expenditure, $42,500,000, making a total of $120,000,000, and that wholly exclusive of the legitimate and necessary charge which must be added in all cases — the charge for interest during construction. In all enterprises of this description every estimate with reference to expenditure includes a provision for interest on capital provided during construction, before the enterprise becomes productive, and this item is to be considered in the reckoning."

This is the opinion of so great an authority as Mr. Blake as late as last year.

Hon. Mr. Dever.

We find also that Mr. Mackenzie, another authority in this matter, expresses his opinion, in the same debate, in the following manner: —

> "We have the estimate of Mr. Smith, the acting Chief Engineer, and even with the degraded character of this road — the high grades, and sharp curves — descending into valleys, and ascending again on steep gradients; he has an estimate showing the cost even then of grading the line would be between $700,000 and $800,000. It is impossible it should cost only $438,000. From the end of the second hundred miles to Battleford, we have 377 miles. This is not any heavier on the whole. There are some more formidable bridges, but the line is farther off for the carriage of the rails. I place that section at $21,000 per mile. Then from Battleford to Edmonton, it is reported by the engineers as 13 miles very heavy; this I estimate at $60,000 a mile, being $10,000 less than the other heavy work east of Selkirk; forty-nine miles more of the line classed as moderately heavy, I put at $39,000 per mile, and seventy miles of very moderate at $25,000, with ninety-eight miles of light work at $20,000 per mile, which make for this section altogether, an average of $27,000 a mile. From Edmonton to the summit, 256 miles, the road is divided in this way by the engineer, heavy, seventy-six miles; medium, sixty-three miles; light, 117 miles. I calculate the "heavy" at $60,000 per mile — being $10,000 more than the cost of heavy work, east of Selkirk; medium, at $40,000 per mile, and light at $20,000 per mile, making in all, $9,472,000, or an average of $37,000 per mile. Assuming the Pembina Branch to cost $1,500,000, this would make the entire cost of the road west of Lake Superior, including $1,440,000 Canada Central subsidy, and $100,000 Selkirk bridge, and $300,000 construction, engineering to be 1,946 miles, $89,002,000; while from Fort William to Nipissing, about 650 miles at $50,000 a mile, making $32,500,000, or a total of $121,500,000. It will be observed that if we apply the figures as I have applied them, that is calculating the expenditure west of Red River as it occurred from Lake Superior to Selkirk, that it would be impossible to obtain the same description of road as to gradients, curvatures, and construction for less amounts than I have estimated. I am sure I am within the line in stating these figures, and that it will be impossible to construct anything that can be called a railroad, nothing else than a mere tramway, for the amount now given, as the hon. gentleman says, by the Chief Engineer."

Here, then, we have the opinion of two competent men who had had ample opportunity to arrive at a very accurate conclusion as to the cost of completing this road from end to end — one gentleman placing it at $120,000,000, and the other at $121,500,000; or, in other words, at an average, per mile, allowing the whole distance to be 2,712 miles, of $44,800, and $44,247, respectively — whereas, we offer it to you at $30,000 per mile, allowing the 25,000,000 of acres of land to be worth one dollar per acre, as may be seen by the following calculations :—410 miles between Prince Arthur's Landing and Selkirk; 127 miles between Kamloops and Emory's Bar, or the Onderdonk contract; then the 90 miles which separate Emory's Bar from Port Moody; then the Pembina Branch 85 miles long — making in all built, and being built, 712 miles and to cost $27,700,000. Add to this, then, all the surveys, $3,500,000, and we have a total of $31,200,000, which, with the $25,000,000 for land, and the $25,000,000 of cash, make $81,200,000, for the whole 2,712 miles, or an average of hardly $30,000 per mile from end to end of this great work, and which is vastly better in my opinion to the people of this country than any of the estimates or intentions of Mr. Mackenzie or Mr. Blake, and can only be approached by the Allan contract. But there is another mode of calculation worthy of consideration, and that is taking an average from what we built ourselves, that is, the 712 miles, which will cost $27,700,000, or an average of $39,326 per mile, or $40,730 per mile, including one-third of the $3,500,000 for surveys. So taking every view of it, I think it is better to give the Syndicate the $30,000 per mile for the whole road, which includes the running expenses besides, and which Mr. Mackenzie, who ought to know, put down at six or eight millions of dollars per annum, than continue it any longer as a Government work. With reference to the monopoly feature of the contract, I must say I am opposed to it, and here let me point out to the hon. gentleman from Prince Edward Island (Mr. Howlan), who is not in his seat at present, that I cannot agree with his reasoning that because the imports, for the first time in twelve years, do not exceed the exports, the Dominion is "in a fit state to build the road," (as a Government work, I presume) for if the Dominion is in a fit state, the work should be gone on with as a Government work, and not given as a monopoly to any company. But the hon. gentleman has not gone far enough, and, though admitting the imports and exports very nearly balance for the first time in twelve years, the national debt has gone up in the same twelve years, as the following table will show :—

In 1867	$ 93,046,051
1868	96,896,666
1869	112,361,998
1870	115 993,706
1871	115,492,682
1872	122,400,179
1873	130,778,098
1874	141,163,551
1875	151,663,401
1876	161,204,687
1877	174,675,834
1878	174,957,268
1879	183,974,753
1880	199,125,323

Out of all proportion to the volume of trade, which was $131,027,532 in 1868, and only $174,401,201 in 1880, or an increase of only $43,373,669, whereas the national debt has increased $106,079,272 in the same time, and hence, instead of continuing the road as a Government work, it is wisdom to place it in the hands of those who can build it out of the lands of the country — if properly handled — without further expense to the old provinces, who are now too heavily taxed to be happy. And I have not the slightest doubt but that every thinking man in this Dominion will come to a similar conclusion, when the whole matter will be weighed carefully. Now, with reference to the offer of the second Syndicate, I think it is a great pity that we cannot save $3,000,000 and 3,000,000 acres, that would be saved if we were in a position to accept their offer. I have the honor of knowing one of the gentlemen, at all events, belonging to that Syndicate, and I know him to be a man of means — a good, noble-hearted man. I believe his intentions to be good. But I appeal to this House, and to every honorable, generous man in this country, to say if they think for a moment that any Government, or any merchant, who would enter into a solemn contract of this nature, could possibly be respected if he attempted to wriggle out of it in a dishonorable manner? Is there any hon. gentleman in this country who would think of vindicating such conduct for a moment? Why, in commerce, such an act would be condemned by every man of honor, and I appeal to my hon. friend from Hamilton, who is a commercial man, if he does not concur in my opinion?

Hon. Mr. HOPE — There is no analogy.

Hon. Mr. DEVER — I believe there is. The Government had the power to enter into a contract under the Act of 1874. I have read that Act, and believe they had that power; and, acting under that power, they entered into a solemn arrangement, with the understanding that they should place that agreement before Parliament, and use their influence to have it sanctioned. If they should now violate that agreement, is there any man of honor who would think of supporting them? I say there is not; and I, for one, feel it my duty to advise those gentlemen, whether we lose $6,000,000 or not, by accepting this offer, to press for its acceptance by Parliament. There is no reason why we should dishonor ourselves before the world for such a trifle. I think my views will be received, as I intend they should be, with the best feeling towards all parties on both sides of the House.

Hon. Mr. ALLAN — I do not intend to take up the time of the House in what I propose to say with reference to the Bill before us by going at any length into the details of the measure; they have already been ably and exhaustively discussed by hon. members on both sides of this House. I shall only attempt to review very briefly some of the principal objections offered to the general features of the measure by hon. gentlemen who have spoken in opposition to it, And, first, I desire to allude to the objections that have been raised against the construction of the road by a company instead of by the Government. On this point, if the general sentiment of the country is to be taken as any guide, I have no hesitation in saying that the announcement that the Government were about to be relieved from the construction of the Pacific Railway, and that there was a prospect of its being undertaken by a company, was hailed throughout the country with the greatest satisfaction by men of all shades of politics! It was admitted, even by pronounced Liberals, that if Sir John Macdonald succeeded in getting a good strong company to undertake the work and so relieve the country from the terrible burden of risk and uncertainty, and indefinite expenditure to which it seemed committed in the construction of this gigantic work — that he would deserve to remain in power for the rest of his life. So very general indeed was the satisfaction at the construction and working of the road being undertaken by a company instead of the Government that it raised the fears of the leading politicians in Opposition, and I verily believe that the feeling, that if this Syndicate arrangement is carried out successfully, the Conservative party will have earned the gratitude of the whole country, and acquired a lasting ascendancy in its political affairs, has been at the bottom of much of the violent opposition which has subsequently been offered to the scheme both out of doors and in Parliament. The hon. the leader of the Opposition, as well as other speakers on his side of the House, have spoken very strongly against the arrangement with the Syndicate on this very ground of its transferring the construction of the road from the Government to a company, and have urged that it would be far better for the interests of the country had the Government retained both the construction and management in their own hands. "Have the Government not constructed and managed all the canals in the country?" the hon. gentleman asks. "Have they not built, and are they not now managing the Intercolonial Railway? Why should there be any greater difficulties in the way of their building and running the Canadian Pacific?" Well, hon. gentlemen, I do not think you can institute any comparison between the building and management of any canal that has ever been constructed in this country, or of the Intercolonial Railway itself, and such a gigantic undertaking as the Canadian Pacific Railway. In the construction by the Government of a work of such enormous magnitude — I do not care who the party in power may be — it is almost impossible to guard against mistakes and unforeseen contingencies, which add largely to the estimated cost. Then there are difficulties and complications with contractors which open the door to more or less favoritism and corruption, and the country is sick of the charges and imputations which have been made against public men on both sides of politics in connection with railway contracts. The construction of the road by a company will in a great measure put an end to all this. Indeed, I should imagine that my honorable friend the leader of the Opposition would have such a lively recollection of the pounding — not literal but figurative — which he and his Government used to receive session after session at the hands of the honorable gentleman who now fills the chair, as well as from other members of the House, for alleged blunders and mismanagement in connection with the construction of the road, that had he remained in power he would have been only too glad to be relieved from those attacks by handing over the construction and working to a good strong company such as the present Syndicate. But hon. gentlemen have urged "If you are determined to build the road by a company instead of the Government doing it themselves, why do you not accept the offer of the second Syndicate, which is so much more favorable than the one now before the House?" and the honorable leader of the Opposition went into very elaborate statements about marked checques and deposit receipts to prove that these gentlemen had made the necessary deposit and were prepared to carry out their offer in good faith. Now, honorable gentlemen, I do not desire to impugn the good faith or honor of the gentlemen who compose what is commonly known as the new Syndicate, nor do I desire to question, nor do I suppose honorable members of the House question the fact of their having deposited their million of dollars. I have the pleasure of knowing some of those gentlemen personally, and I can testify that they are upright, honorable and estimable men, but I do not think I shall be going too far when I say, when speaking generally of this new Syndicate, as a body that it is scarcely possible they could have seriously expected their offer would be entertained, and, therefore, they were perfectly safe in making it. It is true that some honorable gentlemen cannot see any reason why the Government should have any difficulty in entertaining this new offer, and one honorable gentleman who spoke last night in opposition to the Bill, kindly suggested that if the Government would only throw overboard the present Syndicate and accept the new offer it need involve no other changes — they could still retain their seats, and go on with the Government of the country as before. Nay, I am not sure that he did not go so far as to say that if the Government would only abandon this obnoxious Bill, and take on with the new love, he would really prefer to see them remain in power. I confess, hon. gentlemen, that it passes my comprehension how anyone could suppose that the Government, after a long, deliberate and anxious discussion of the terms of a most important agreement with a body of gentlemen of high character and standing for the construction of a gigantic work, having finally settled those terms and pledged themselves to those gentlemen to carry out that agreement if Parliament gave its sanction to it, could afterwards, with any sort of honor or self-respect, decline to submit that agreement or ask the sanction of Parliament to it, and yet remain in office themselves. It is equally incomprehensible to me — putting aside all considerations of honor — that any one could suppose that the Government could be so demented as to throw aside a *bona fide* agreement with a body of men eminently qualified in all respects, and possessing exceptional advantages for the successful completion of the gigantic undertaking which they had pledged themselves to carry out, in order to take up such a weak affair as that which has been called the second Syndicate. I say advisedly weak affair, because no one not blinded by party spirit can contend for a moment, that although there are good and estimable and comparatively wealthy men among the members of the (so-called) second Syndicate — that they can be compared as a company with the body of large and influential capitalists named in this Bill in all these essentials which are absolutely necessary to ensure success in such a work as the construction of the Canadian Pacific Railway. But it is urged by the advocates of this second offer that the terms are so much more favorable — that the second Syndicate are willing to build the road for so much less — that we should be wilfully throwing away the money of the country by refusing to accept their offer. I think I might fairly ask these hon. gentlemen what is the course generally pursued when tenders are called for for the execution of any important work. Is the lowest tender always accepted? Nay, in the ordinary transactions of every day life, if any of us were about to build a house, for instance, and we had tenders from two parties, one at a very low rate, but from a man of not much means or experience, and the other at a higher rate, but coming from a contractor whom we knew possessed both the ability and the means to execute the work thoroughly and satisfactorily, and without any risk of failure or disappointment, in such a case I think few of us would hesitate to accept the highest tender. So with the offers from the two syndicates. Without desiring to impugn in any way the honor and integrity of the gentlemen composing the second Syndicate, I do not see how any reasonable business man, unbiassed by political feeling, can institute any comparison between them and the body of gentlemen named in this Bill in any of those particulars which are absolutely essential to success in such an undertaking as the building of the Pacific Railway. The gentlemen with whom the Government have made the provisional agreement are not only men of wealth themselves, but they have associated with them leading capitalists in Europe and America, and they possess, through their connections in Great Britain and the continent, exceptional facilities for carrying out what is the very life of the whole scheme, a large and comprehensive system of emigration — and, therefore, I am sure that the acceptance of their offer will not only receive the sanction of this House, as it has already received that of the popular branch of the Legislature, but it will meet with the approval of the vast majority of the people of the Dominion. We have heard a great deal said by hon. gentlemen who are opposed to this measure of the huge monopoly we are about to create, and the unreasonable exemptions and franchises we are granting by this Bill, and one hon. gentleman opposite, in his speech the other night, thought fit, by way of illustrating the evils of monopolies, to drag in the Canada Company into the discussion. He drew slightly upon his imagination in some of his statements, but I am glad that he made the allusion to the Company, as it gives me the opportunity of mentioning what the hon. gentleman forgot to state, but which is perfectly well known as a matter of fact, and has never been contradicted, that one result of granting a charter to the Canada Company was that by their exertions they anticipated the settlement of all that part of Western Ontario which now forms the counties of Huron, Lambton and Perth by a quarter of a century at least, just as I have no doubt this Syndicate will, by their exertions, enhance the settlement of our great North-West. A statement, however, which the hon. gentleman did make in regard to the treatment of its lessees by the company I must take leave to contradict as being wholly and entirely unwarranted by the facts. I do not believe that there is any body of men who have ever received such liberal treatment at the hands of those from whom they purchased their lands, as the lessees of the Canada Company. In dealing with any mere speculator who purchased a lot for the purpose of stripping it of its timber, no doubt the company gave him a very short shrift. But it is notorious that no *bona fide* settler purchasing land for the purpose of making a home ever received anything but the most liberal and considerate treatment at the hands of the company. Many and many a settler has been allowed to remain upon his lot for years without paying one shilling, until the improvements he made upon it enabled him to obtain such returns as gave him the means of paying for his farm or disposing of his improvements to advantage to another purchaser. But these are matters, perhaps, with which the House has little or no concern. What I particularly wish to mention in connection with this subject — as some gentlemen are so fond of quoting precedents — is a precedent for exemption from taxation under special circumstances which is afforded in the case of this very Canada Company. Some nine or ten years ago the company proposed to drain a large section of country, principally in the County of

Lambton, known as the Lake Burwell and Aux Sable Flats and they applied to the Ontario Government and Legislature for an act giving them the necessary powers. The Legislature passed the act, and by that act the lands to be reclaimed were exempted from taxation, not for ten or twenty years, but until they were sold. Now, hon. gentlemen, if the Reform Government of Ontario and the Legislature, in which that party is so largely in the ascendant, deemed it neither unjust nor impolitic to grant this exemption, under the special circumstances of the case, to a company such as the Canada Company, I do not know why our Reform friends in this House should be so shocked at the proposal in thisBill to grant an exemption of a similar character to the Canadian Pacific Railway Company. With regard to the value of the lands proposed to be granted to the Syndicate and which the opponents of the Bill are disposed to set down at so high a figure. I confess I could hardly forbear smiling at the statements made by some hon. gentlemen opposite on this point, when I recollect how differently they expressed themselves but a very short time ago. These hon. gentlemen were not wont in former days to speak so highly of the value of our lands in the North-West, and I hope my hon. friend, the leader of the Opposition will pardon me if I venture to remind the House of the not very jubilant tones in which he was wont to allude to the great North-West on all occasions, and how little he seemed to think of its value to the rest of the Dominion. It is only in the present session that we have heard such glowing pictures drawn by the hon. gentleman and his followers of the prospects of that great country, and the value of the lands. Well, hon. gentlemen, I am one of those who always believed that in that North-West we possessed a magnificent patrimony of the utmost value to the whole Dominion, and although I may not be prepared now to go to the full extent of the present value which these gentlemen have suddenly set upon all the lands through which the railway will pass — yet that they have increased considerably in value throughout the whole territory within the last year or two and are continuing to increase, there can be no doubt, and it may be well to ask to what causes this increase may be attributed. I have no hesitation in saying, that one of the first things which contributed to raise the value of land in the North-West, was the advent to power of the present Administration, and the assurance that was then felt, that the great want of railway communication either by the Government or through the instrumentality of a company would be vigorously proceeded with. Had the half hearted, feeble vacillating policy of the late Government in respect to the Canadian Pacific Railway been continued, we should never have had the emigration which has already taken place to that country largely on the faith and confident expectation of increasing railway facilities, and were it not for the prospect, now happily almost assured, of an agreement being concluded with a strong and powerful Syndicate for the completion within a comparatively short period of the whole line of railway from the Atlantic to the Pacific — we should not now have these lands valued at the figures which have been quoted in this debate. I repeat then, hon. gentlemen, that it is the prospect of the immediate construction of the railway by a strong and powerful company which is raising the value of these lands so rapidly, and above all it is the great work of emigration and settlement to which this Syndicate are committed, and for which they posses such especial facilities, to which we must look for these values being maintained and increased throughout the whole of the vast territory still in the hands of the Government. Give the construction of this gigantic work to a weak company, anxious only to build the easiest part of the road across the prairies, and then drop the two ends if they can possibly do so— give it to a company who have no European connections — no facilities which would enable them to pour in a stream of emigration into the whole North-West, *pari passu*, with the construction of the road — and where will be the increase in the value of our lands then? And what will be the condition of that great North-West ten or twenty years hence? Take then the lands to be granted to the Syndicate at the highest figures which have been named; but which after all will prove fallacious if people are not poured into that country simultaneously with the construction of the road — take them, I say at their highest figures, and the country will not be paying one shilling too much for the assured completion of our great national highway, the actual settlement of the country through which it passes, and the enormously increased value which will then be given to the magnificent patrimony, which the country will still hold, of the finest land in the North-West, compared with which in extent the grant to this Syndicate will be, but as a mere speck on the prairies. I shall vote then, hon. gentlemen, for the Bill now before the House, because I believe it to be most desirable that a work such as the construction of the Canadian Pacific Railway should be proceeded with by a company, and not by the Government; because, I believe the terms upon which the road is proposed to be built by the company named in the Bill, are upon the whole just and reasonable; because, I believe this company are possessed of such means and facilities as will enable them without doubt to carry out both the work of construction and the settlement of the country, and because, as a Canadian, I believe that the completion of a great national line of communication from one end of the Dominion to the other will make Confederation a reality, and help more than anything else to strengthen and consolidate a British American nationality on this continent.

Hon. Mr. REESOR — I wish to make an explanation with regard to what has fallen from my hon. friend opposite. In referring to the Canada Company, when I addressed the House a few days ago, I fear I have been misunderstood by the hon. gentleman My object was to show the tendency of such companies was to obtain as large a price for their lands as they could get. I did not mean to convey the idea that the Canada Company acted dishonorably or oppressively; on the contrary, I think they have done what any respectable business company or firm would do — make the most they could of their lands. Yet I felt it was a good illustration of a case where a small sum, comparatively speaking, had been invested in our wild lands by a corporation, and where very large sums had been drawn out year by year and taken out of the country. This is a young, a new country, struggling up into existence, and in the formation of her institutions, the loss of so large a sum taken out of the country, I thought, and still think, a great evil. I have had transactions with the Canada Company myself, and have always found them obliging and courteous, and I believe that has been the character of their officers since the company was first established in this country. The gentlemen who came out to Canada in charge of the company's affairs from the late Mr. Gault down to the lowest official are all that could be expected from any such company. They have done just as this Syndicate will do if they get this large tract of land in the North-West—that is, get as much as possible for their land.

Hon. Mr. SUTHERLAND — I was not present when my hon. colleague addressed the House, and I am not sure whether he made an explanation which I consider necessary. I rather think he did not, as he is somewhat concerned personally in the matter. Hon. gentlemen are aware that the Legislature of our Province was sitting at the time that the details of this agreement were made known. They had passed a resolution adjourning the House for a definite period, and just before the closing of the House the information was received by telegraph, and, as it turned out, it was incorrect in some particulars. They were taken by surprise, and hastily passed a resolution. not, as has been said here, condemning the contract in toto, but asking a modification in one or two of its clauses. I have been asked by some gentlemen here if our Legislature had not condemned the contract, and I, therefore, think it necessary to make this explanation. From the best information I can get, the people of Manitoba have changed their opinion as to those clauses which at first sight appeared to be unfavorable to our Province, and I think now they concur pretty much in my opinion as to the contract. At this late hour it would be presumption on my part to go at any length into this great question, which has been so ably debated both in Parliament and in the press of the country, and I shall, therefore, content myself with making a few general remarks on some of the clauses of the contract. We have heard many comparisons made between the different offers that have been made for carrying out this great work since its inception. I have not heard yet any very great exception taken as to the amount of land or money that is being given to this company, but objections are made to some of the exceptional privileges which are granted to them. In lieu of those privileges I consider that this company is undertaking exceptional duties. We know the enormous work that they will necessarily have to colonize their own lands, and we have every reason to believe that it is not only their interest to do so, but also to colonize the lands held by the Government. Therefore, I think that their exceptional privileges are more than counterbalanced by their onerous duties, and that, I am satisfied, is the opinion of the great majority of the people of Manitoba. We have heard a good deal about the Sault line in this debate. I for one would have no objection to the construction of that line. The more railways we have the better; but we had sad experience in our time of need, of the necessity of possessing a line of our own, running exclusively through Canadian territory. It was only by the merest chance that we got assistance at the time when we most required it. I refer to what took place in 1870. What happened then may happen again. While there is an amicable feeling between the neighboring nation and ourselves we may always look for courteous treatment in passing through their country, but if that sentiment should change (and it may change at any time) even with our Thunder Bay Branch open, for six months of every year the Dominion would be virtually cut in two. We could have no communication until the opening of navigation between the Eastern Provinces and the North-West. Therefore, I look upon the all-rail route as a pressing necessity to consummate Confederation. Without a national highway, our union is comparatively valueless, and that is the light in which the question is viewed by the people of Manitoba. Therefore, this being the first offer that has been made with any reasonable prospect that it will be successfully carried out, I think it would be exceedingly unwise to throw away this opportunity of having our Pacific Railway completed, as I have every reason to believe it will be within the time specified in the contract, so that I will record my vote in favor of the Bill.

Hon. Mr. AIKINS — As there appears to be no person willing to speak this evening, I will occupy the attention of the House for a short time. The Government certainly have no reason to complain of the way in which their measure has been received by this House. It is rather gratifying to find that, notwithstanding all the comparisons which have been made as regards the Sir Hugh Allan contract, and as regards the offer made by the late Administration in reference to the construction of this road, the conclusion has been arrived at, that this is the most satisfactory proposal that has yet been made. It cannot be otherwise than gratifying, not only to members of this House and to the public generally, that the debate from its inception up to the present time, has differed from previous debates on this subject in this way: that no ground has been taken, so far as I am aware, by any member of either House, that this country is unequal to the emergency of the construction of this road. This question has been before the country for the last ten years. It was first discussed when the British Columbia resolutions were before Parliament, at the time that Province signified her desire to enter into the Confederation, which was legislated on in 1871 to this end. It was discussed in 1872 and in 1873, at the time of the Allan contract. The hon. member from St. John to-night said that the Allan contract was better than the present one. An hon. member of the other House, who is noted for strong common sense (I refer to one of the members of the County of Wentworth) declared himself as being sorry that Sir Hugh Allan was unable to carry out his contract; that it was the best bargain ever offered for the construction of the road. I take the ground that that contract, however favorable it was to the country, and however strongly those who supported it pressed its claims, yet it was not as favorable to the interests of this country as the present measure. Without entering into minute details, I may say that it made provision that the line and its branches should be subsidized to the extent of $30,000,000 and and 54,000,000 acres of land; that no lands could be sold by the Government at a price less than $2.50 per acre, unless with the consent of the company. Now, hon. gentlemen will see that the Government were in that case rather in the hands of the Company than otherwise. They could not hold out inducements for those who were poor and needy and short of money to go and settle in that country, for the reason that the settlers would have to purchase the lands at that price if they came at least within a moderate distance of the railway. Under the provisions of this Bill no such restrictions are put on the Government, so far as the Company is concerned, and may put whatever price on its lands it feels inclined to charge, but the Government are in a position to give land away free of charge to settlers. Every alternate section, school and Hudson's Bay Company's excepted, is held as homestead and pre-emption lands. Some may think that this is not a very great advantage; but, hon. gentlemen, look at the advantages it gives for the settlement of the country. It holds out strong inducements to people to go and settle there. Any man who can pay a $10 fee and make certain improvements and reside upon the land for three years will get his patent for 160 acres. Then provision is made that the adjoining quarter section of it should be within the $5 belt, which lies close to the railway, can be purchased by the person holding the homestead, at $2.50 per acre; and he has a term of years in which to pay it, and all that is asked from him is interest on the money. So for the 320 acres that he may take in proximity to the railway, he will have to pay $1.50 per acre. In the $4 belt he gets his homestead of 160 acres and his preemption for $2 an acre, or in other words, he gets 320 acres of land for $1 an acre. I am quite sure that honorable members in this House and the public generally will perceive there is a very great difference between the Allan contract, which tied the hands of the Government, and compelled them to sell their lands at a figure not less than $2.50 per acre, unless with the consent of the Company, and the present contract, which enables a man to get a farm on the terms I have mentioned. Now, some hon. gentlemen, and particularly the hon. Senators from King's and Queen's, took strong exception to the value which my hon. colleague, in introducing this measure, placed on the lands of the North-West. The hon. the Postmaster General stated, for purposes of comparison, that he would value the lands at $1 per acre, and he did this to compare the contract of Sir Hugh Allan and the offer made by the late Administration, under the Act of 1874, with the present contract. They were dissatisfied with that, and thought it was belittleing the country; and said that the lands might be placed at $3 an acre. I think, for the purpose of comparison, it makes very little difference whether the land is put at $1 or $3 an acre. But, to satisfy the hon. gentlemen, I will make the comparison at $3 an acre. The quantity of lands donated to the Allan Company was 54,000,000 acres, or perhaps a little more. If you value those lands at $3 an acre you will find that they represent a value of $162,000,000, and to this must be added the cash bonus of $30,000,000, in all $192,000,000. That is the amount of the subsidy if the lands are worth $3 an acre, and what my hon. friend from Toronto (Mr. Allan) said is quite true, that the value of the land is consequent upon the construction of the railway. If to-day you blot out the railways that have been constructed and give the people of that country, and other countries, to understand that no railways are to be built there, and they are to have no connection with the outside world by rail, the lands instead of being worth $3 an acre, would not be worth 30c an acre. Take the offer made by the late Administration for the construction of this road under their Act of 1874: When they placed that Act on the Statute-Book they were sincerely desirous and anxious to construct the railway if it could be done within the resources of the country. Apply the same rule to that scheme as to the other, and for the purpose of calculation I will take the mileage as it is now established — 2,712 miles. Their donation was 20,000 acres of land per mile, and a cash subsidy of $10,000 per mile. Taking the land at $3 an acre, you find that the land subsidy amounted to $162,720,000. The cash subsidy would have amounted to $27,120,000. And then they also made this provision that they would pay 4 per cent. on a sum of money which might be agreed upon for a period of twenty-five years. There might be some difficulty in arriving at this sum of money, but I think we have a very good basis on which to calculate what that road would cost.

Hon. Mr. SCOTT — No.

Hon. Mr. AIKINS — The hon. gentleman shakes his head and says no. He has not heard what I am going to say, but he surmises, I suppose, inasmuch as a comparison could be placed on the contract from what I am about to mention. The branch lines by the Act of 1874 were made portions of the Pacific Railway itself. The Georgian Bay Branch was a portion of that line. The leader of the Government in introducing this Bill now before the House referred to this, and I think the ground taken by him was firm and reasonable. I think, if you take the Georgian Bay line, 85 miles in length, and compare it with the 665 miles from Lake Winnipeg to Thunder Bay, and that 400 miles from Thunder Bay to Selkirk, and the 650 miles in British Columbia, any gentleman who will take the trouble to look over the estimates made by Mr. Fleming for the figures furnished by Mr. Mackenzie for the cost of those sections, will come to the conclusion that what the Georgian Bay Branch would cost per mile, and what the late Administration subsidized it with, would be a very fair average to apply to the whole distance from Lake Nipissing to the Pacific Coast. Now, what did they subsidize that line with? A land grant of 20,000 acres, $10,000 in cash, and 4 per cent. on $7,500, which is $300 a year, per mile, for twenty-five years. If you discount that, it would be about $4,000 per mile, or in other words, they subsidized the Georgian Bay Branch with 20,000 acres of land, and $14,000 in cash per mile. If you take those figures and apply them to the whole line, and I think it can fairly be done, you find that it would amount, for the 2,712 miles, to $199,668,000. Now, that is what was offered by Mr. Mackenzie under the Act of 1874, taking the cost of the Georgian Bay Branch as an average of the whole line. The Government of that day advertised in the newspapers of this continent and in the old country, asking for tenders to construct this road; and yet, notwithstanding that advertisement being in the papers for two years or more, no formal offer was ever received. The advertisement was as follows: —

CANADIAN PACIFIC RAILWAY.

PROPOSALS FOR CONSTRUCTION.

"The Government of Canada expect to be able on or before January, 1877, to invite tenders for building and working the sections between Lake Superior and the Pacific Ocean, under the provisions of the Canada Pacific Railway Act, 1874.

"This Act (after reciting that it is expedient to provide for the construction of the work as rapidly as it can be accomplished without further raising the rate of taxation) enacts that the contractors for its construction and working shall receive lands, or the proceeds of lands, at the rate of 20,000 acres, and cash at the rate of $10,000—for each mile of railway constructed; together with interest at the rate of four per cent. per annum, for twenty-five years from the completion of the work, on any further sum which may be stipulated in the contract; and the Act requires parties tendering to state, in their offers, the lowest sum, if any, per mile on which such interest will be required.

"Copies of the Act, maps showing the general route so far as at present settled, the published reports of Engineers, and such other information as is now available, can be seen at the Canadian Emigration Agency, in London, England, and at the Public Works Department, Ottawa.

"This intimation is given in order to afford to all parties interested the fullest opportunity of examination and enquiry.

By order,
F. BRAUN, Secretary,
Dept. Public Works.

Department of Public Works,
Ottawa, 29th May, 1876."

Hon. Mr. HOPE — When was that published?

Hon. Mr. AIKINS — In May, 1876, and I believe it appeared in print until December, 1878.

Hon. Mr. REESOR — Does it state that the lands shall be fit for settlement, or that they shall be taken on the line as they come!

Hon. Mr. AIKINS — It says fair avearge lands. The Act of 1874 went very much farther than that. Not only were they to have 54,240,000 acres of land, but $28,120,000 as a bonus, and $813,000 a year for twenty-five years, being $300 on 2,712 miles for twenty-five years; but two thirds of those lands, or 36,160,000 acres were to be managed and sold by the Government free of cost to the company. I should like to ask hon. gentlemen why have paid any attention to the management of lands by the Government, and know anything of the subject, what that was likely to cost them? I do not think hundreds of thousands of dollars would cover it.

Hon. Mr. SMITH — One-third of all they would get for it.

Hon. Mr. AIKINS — I am perfectly satisfied it would cost the Government millions of dollars to handle this 36,000,000 acres of land before they were sold. Now, the present contract is this, and although it has been repeated two or three times in this debate, I want to apply the valuation of $3 an acre, and see how it will compare with other offers: 25,000,000 acres worth $75,000,000, a cash bonus of $25,000,000, and we hand over to the Syndicate roads which, when completed, are estimated to cost this country $28,000,000, making altogether a sum of $128,000,000 — a difference as compared with the offer made under the Mackenzie Act of 1874, of $71,968,000, and as compared with the Allan contract of $64,000,000. And yet we are told by some hon. gentlemen that the Allan contract was more favorable than this. With regard to the offer made by the late Administration for the construction of this road, I have noticed, and I presume other hon. members of this House have noticed it also, that those who are opposing the Government and this measure have kept as far away from the consideration of that offer as possible. They did not want any comparison made, because they were conscious that if one were made it would militate against themselves.

Hon. Mr. REESOR — Comparisons are odious.

Hon. Mr. AIKINS — They are decidedly dangerous.

Hon. Mr. SCOTT — I went into a thorough analysis of the three contracts clause by clause.

Hon. Mr. AIKINS — Well, I suppose if the hon. gentleman did there is no ob'ection to my doing so, too. Now, I will refer to the exemptions. Under the present contract the 25,000,000 acres are to be free from taxation for twenty years, or until they are sold or occupied. Do hon. gentlemen suppose there is no provision made in that Act of 1874 whereby the lands allotted to the Company could escape taxation? If they will look at that Act they will find that two-thirds of the land granted to the Company were to be held by the Government, and to be administered by them, and be sold at such a price as might be agreed on between the Company and the Government. But so long as the land remained in the hands of the Government there would be no taxation. If the Company did not desire to sell their lands there would be no agreement with the Government with regard to the price, and hence these lands would be free from taxation. It is not the 25,000,000 acres that would be exempt for twenty years, but more than 36,000,000 of acres were to be held in this way, for it might be twice that length of time without being exposed to taxation.

Hon. Mr. SCOTT — The Government did not propose to have them locked up.

Hon. Mr. AIKINS — The Government just proposed what is in the Act — just what they find there.

Hon. Mr. HAYTHORNE — The clause in question says the lands shall be sold by the Government -- not held.

Hon. Mr. AIKINS — But the Government could not sell the lands until the Company fixed the price, and if the

Company did not wish to sell the land they would not put a price on them, so that the exemption was very much wider under the Act of 1874, which my hon. friend, amongst others, supported, than under this agreement. Now, if that North-West country of ours is going to be settled, I should like to know where the settlers will come from? If millions are to flow into it I do not think they will come from the old provinces of the Dominion; there are not millions to spare from them. They must come largely from Europe and from other countries. Do you suppose it is any very great hardship on those who will go into that country and get 160 acres of that land free, that the adjoining lands held by this Company should be free from taxation for a time? It is the only contribution which those who settle there will make to that road. Those who settled in the older provinces of the Dominion have contributed millions to construct this road, not to benefit themselves, but to develop that country — to unite it with the older provinces of the Dominion, and bind them together in such a way that there would be homogenity of feeling and interest. Then the older provinces of the Dominion are subject to taxation in support of schools. In Ontario there are free schools, and it may be so in other provinces of the Dominion. The people have built their schoolhouses, and they pay their teachers, but in that great western country of ours one-eighteenth of all the land is set apart for the maintenance of schools, and the future settlers of that country will have schools without any cost to themselves, while in the older provinces of the Dominion people have had to support, and are still supporting, their educational establishments. It cannot be said that there will be any very great burden upon those who will come in and settle in that country, if the lands held by the Railway Company are exempt from taxation for twenty years, or until sold or occupied.

Hon. Mr. BOTSFORD — And the Railway Company provide for them to get there.

Hon. Mr. SMITH — And free schools.

Hon. Mr. AIKINS — The hon. gentleman from King's has instituted a comparison between the Canada Company and the Syndicate, but there is no analogy between them at all. The Canada Company is a land company holding lands for the purpose of making money out of them — a speculative company. The Syndicate is entirely different. If they hold these lands and cannot get them settled they will have no traffic for the railway. The railway can only be made valuable by settling that country. There is another exemption to which exception has been taken — that is the exemption of the roadbed from taxation. The ex-Secretary of State said he did not attach very much importance to it, and I do not think it is of much importance. The Syndicate will have about 1,000 miles of road in the Province of Ontario, which will be subject to taxation just in the same way that the property of other railways is in that Province. Then they will have 123 miles of road in Manitoba and 650 in British Columbia, which will also be subject to taxation. There are about 800 miles between the western boundary of Manitoba and the eastern boundary of British Columbia, and about fifty miles in the district of Keewatin — some 900 altogether, which would be exempt from taxation. If you take 100 feet for the width of the roadbed, you will find that the acreage per mile is about twelve acres, and if you take the whole distance of 900 miles you will find the quantity of land covered by the roadbed is only about 10,800 acres. I am surprised that the question has been raised, or that the attention of Parliament has ever been called to it, because it is very small. There is another exemption to which a great deal of importance has been attached by some, and that is the exemption from customs duties. The only articles that are to be exempt are the spikes, nuts, bolts for first construction, and the wire for the telegraph. The rails and fish-plates are exempted from taxation at present. Now, it is said that if you apply the present rate of duty to all these it would amount to only something over $100,000. That being the case, the exemptions from customs duties do not make up a very large sum. Some hon. gentlemen have said that steel rails ought to be taxed. The reason there was no duty imposed on them is that there are none manufactured in the Dominion and it was important, as far as possible, to aid in the construction of lines of railway, and Parliament sanctioned the proposal to exempt steel rails from taxation until 1882. I can see no reason whatever for putting a duty on steel rails. It is merely a taxation on that particular interest until steel rails are manufactured in the country. These are all the exemptions, and aggregating them they are less than the exemptions and services to be performed by the Government in selling the lands as contained in the Act of 1874. Now, while it is claimed by those who support this measure that it is the very best offer which has been made, the question might come up in the minds of hon. members, is it desirable, or in the interests of the country that it should be accepted? I have no hesitation in coming to the conclusion that it ought to be accepted, and I think those who in their cool moments and apart from political feeling consider this question will come to the same conclusion — that in the interests of this country it is desirable that this contract as made should be consummated, by Parliament sanctioning it. I have no doubt whatever that the gentlemen who compose this Syndicate are able to raise the necessary capital to construct the 2,000 miles of railway; that they will be able to put a sufficient quantity of rolling stock and equipment of every kind upon it, and not only do that, but complete the larger portion, to my mind, of the undertaking, that is, to run it when it is built. We can tell about what the road will cost. Mr. Mackenzie and Mr. Blake have named $120,000,000 as its cost. Mr. Fleming has estimated that it would cost about $8,000,000 a year to run that road. Mr. Mackenzie placed the sum at between $6,000,000 and $7,000,000. Mr. Fleming says that the road will not cover running expenses until there are about 3,000,000 people in that country. When do you suppose there will be 3,000,000 people in the North-West? I do not know how many hundred thousand people there are in that country, from Nipissing to the Pacific Coast, but I do not think there are a great many. Hon. Mr. Blake, in a discussion on the settlement of that country, is reported to have said that he could not tell what the increase would be, but judging by comparison, he could infer what it might be. He says :—

> "The population of the State of Kansas in 1870 was 360,000 and in 1879—850,000 making an increase of 490,000 in the nine years. In this was to be included a large natural increase, as well as an increase, owing to large immigration from the Eastern States. This was not an indication that the population of the North-West would, in ten years, reach 550,000. But the state of things was not equal. What was the position of Kansas at the commencement of the epoch which the hon. gentleman had taken as his starting point? Besides a population of 360,000, it had no less than 1,500 miles of railway in operation, so that at the commencement of the epoch of rapid increase there had been a considerable development of railway facilities, and during that decade those facilities had increased, so that there were 2,300 miles in operation in 1879. In 1866, Kansas ranked twenty-fourth among the States of the United States as a corn-growing State, while in 1879 it had gone up so that it was the fourth. In the earlier period it was the twenty-fourth as a wheat-grower, while by 1878 it had run up so it was almost the first in that respect, having produced thirty-two millions of bushels. With all these evidences of progress, and all these advantages, with a large natural increase from a population of 360,000, we find but 490,000 added to the population of that State in nine years; and yet we were told that over 550,000, irrespective of the natural increase, would altogether be added to the population of the North-West in ten or eleven years."

Now, these are Mr. Blake's statistics. If that was the increase of Kansas when she had so many miles of railway, I would like to ask the hon. gentleman when there would be two or three millions of people in the North-West? Why, at that rate, there would not be a population so large as that in 25 years, and yet the increase of population in Kansas has been large and rapid. If you take this $8,000,000 which Mr. Fleming estimates as the running expenses of that road, for 25 years, you have $200,000,000. It is true you have to deduct the earnings, but what will they amount to for some years after its construction? They would, I fear, be so infinitesimally small that they would be scarcely worth subtracting from the expenses. No person can suppose that the road can be kept open and run at a profit by the

Syndicate until there is a very large population in that country, and yet hon. gentlemen think when the road is constructed the great difficulty is overcome.

Hon. Mr. FERRIER — Only beginning.

Hon. Mr. AIKINS — My hon. friend, who knows something about running railroads, says the difficulty will only be beginning. What I hope is that this Company will find itself sufficiently strong to keep open this road when it is constructed, so that we may have access to that country through our own territory. Now, the hon. gentlemen opposite have taken a peculiar liking to the construction of the Sault Branch. Well, I have no objection whatever to the construction of that road, providing that we could not get our own line north of Lake Superior. I think it would be in the interest of this country to build it — very much more in our interest than to adopt the course pursued by the hon. gentlemen when they were in power, and that is to try and reach the waters of Lake Huron by building the Georgian Bay Branch, when these waters were tapped by some half dozen roads already. I do not think that the Georgian Bay Branch was calculated to benefit any section of country. But, if you take the benefits which would result from the construction of the Sault Branch as compared with the benefits to be derived from the construction of a through line north of Lake Superior, the latter is infinitely preferable to the other. We know what the result of passing through American territory has been. Six years ago this last summer I went to the Province of Manitoba, and in passing down the Red River from Moorehead — at that time they had to use the river, there was no railway — I found at places where the boat stopped in Minnesota and Dakota, those who came down to the wharf were nearly all Canadians. Two-thirds at least of all those who are settled now in the Valley of the Red River in Minnesota and Dakota are said to be Canadians. And why are they there? Simply because in passing along, they found what suited them and they did not go any further. That is our experience, and if we should continue to use that route, these railway companies who have lands to settle will hold out quite as large inducements to settlers as we can, and in place of settling in Manitoba and the North-West, our people will settle in the United States just as they have been doing. The Government has been assisting immigration for many years. Hundreds of thousands of dollars have been spent in that way, and I am sorry to say — and hon. gentlemen, I am sure, will share in my regret — that after all that expense we will have acomplished very little. In the United States, I am not aware that the Federal Government assists immigration in any way. I am not aware that the State Legislatures give any such assistance. The immigration that is carried on so successfully is through the agency of the railway companies who have lands to dispose of. They have facilities that no Government can possibly possess for inducing immigration, and the hope is expressed and indulged in, that this Company, having large interests — interests quite as large, I was going to say, as the Government themselves in the North-West — would act as a great immigration agency for the purpose of getting settlers into that country. We have interest as a people in getting that country settled, because when it is settled we will have large resources in the shape of customs duties, etc. They will be consumers of dutiable goods and exporters of produce, but the Railway Company has as large an interest, at least in the first instance, to get settlers in that country as we have, and I have not the slightest doubt from their connections at home, and on the continent, that they will be the means of inducing an immigration into the North-West which the Government would be unable to reach. Something has been said in reference to this second offer which was made to build this road. It has been dealt with by my hon. friend from Toronto this evening in a way that I do not think any of those who are connected with it could take offence. I know many of those gentlemen, and would not say anything to offend them, but I do say this: it is a most extraordinary circumstance, when under the Act of 1874 an advertisement appeared in the papers asking tenders for the construction of this road, knowing the offer that was made by the Government, of $10,000 per mile, and 20,000 acres of land per mile, and that a further sum might be granted, that during all that time those gentlemen never thought of making an offer, if there was so much money in it as is now discovered? And this thing has not been done in a corner; it was known when Parliament rose last year that negotiations were talked of with the Government in reference to the construction of this road. It was stated in a speech by Sir John Macdonald at Bath, a speech that was copied into the papers throughout the country, that offers were then under consideration, yet those gentlemen never thought of sending a telegram, or writing a letter to the Government asking if they were in a position to accept tenders. There is something more: after the Ministers had returned from England, and after Parliament had been summoned and was in session, a month elapsed before those gentlemen could make up their minds as to what they were going to do. They knew that the Government were not in a position to accept an offer of that kind, and they were quite safe in putting up $1,400,000 as security. If they were anxious to get the contract, they should have made overtures in time, and their proposition would have received every consideration. If overtures had been made when Sir John Macdonald delivered his speech at Bath in June, or when he was in England, the conclusion might have been indulged in by those gentlemen that they had a chance at least of obtaining the contract, but they must have known that when a contract had been entered into by the Government, a second offer could not be entertained. I do not suppose that that Syndicate or the present one would base their success on personal finances. I think if they are able to raise money, it is upon the subsidies afforded by the Government. My hon. friend will admit that.

Mr. REESOR — Yes.

Mr. AIKINS — That being the case, I should like to know what chance the second Syndicate would have of selling their bonds. We have this statement by gentlemen who are opposing this Bill: that exemption from taxation on their lands would be worth some $20,000,000. Now, this statement was made by gentlemen who knew, I suppose, what they were talking about. Another gentleman, the leader of the Opposition in the other House, is reported to have said that exemption from customs duties would be equal to $1,500,000. The exemption, on roadbed, etc., are said also to be worth millions of dollars. Altogether, those exemptions amount to something like $25,000,000 according to their estimation, and I suppose they will not object if I adopt it. Do you suppose that any company, whatever their station might be, when they were not going to risk their personal fortunes, could go to any of the money markets of the world and raise money knowing their lands would be subject to taxation until they were sold; that if they pushed them on the market they would get little for them, and that taxation for twenty years would be equal to $20,000,000? I should like to know what strength that would give them.

Hon. Mr. REESOR — But the bonds would be endorsed by the Government.

Hon. Mr. AIKINS — The Government would have to be satisfied of the ability of the company to raise the money before the bonds would be guaranteed. The thing is so perfectly absurd, it appears to me that, if they did not want to damage this Company they would not have made such disparaging statements. Gentlemen opposite would not say, even if the Government were prepared to accept that offer, they would vote for it. My hon. friend for King's would not vote for it, I am sure, and the ex-Secretary of State took very good care to guard himself, and would not say that even if it was $12,000,000 less than the present contract he would vote for it. I think, under the circumstances, we may fairly come to the conclusion that, so far as this offer now before the House to build the railway is concerned, it is the best that has been made; that it is quite within the power of the country to carry out; and, moreover, that it is in the interests of the Dominion that it should be carried out.

Hon. Mr. DICKEY moved the adjournment of the debate.

The Senate adjourned at 11.05 p.m.

THE SENATE.

Friday, February 11th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

BILL INTRODUCED.

Bill (L) "An Act to amend the Petroleum Inspection Act of 1880." — (Mr. Aikins.)

PACIFIC RAILWAY BILL.

DEBATE CONTINUED.

The Order of the day having been called: resuming the adjourned debate on Hon. Mr. Scott's motion in amendment to the motion of the Hon. Sir Alex. Campbell, "That the Canadian Pacific Railway Bill be now read the second time," by leaving out "now" and after "time" inserting "this day three months,"

Hon. Mr. DICKEY said: Hon. gentlemen, I entirely concur in the sentiment expressed by previous speakers that no more momentous question than the present one has ever engaged the attention of the Parliament of Canada. After the able and exhaustive speeches on the one side by the hon. the leader of the Government, and on the other by the hon. the leader of the Opposition, and after the almost wearisome iteration here and elsewhere of the history of this question, I do not propose to refer, except incidentally, to its historical aspect. We have been called upon by the hon. the leader of the Opposition to deal with this measure in a liberal and independent spirit. Now, distasteful as was the avowal of that hon. gentleman to the people locally interested, I am quite sure that the majority who voted against him on the Esquimalt and Nanaimo Bill must have been exceedingly gratified to find by his assurance that the action of the Senate on that occasion turned out to be quite right. Nor was I surprised at that avowal when I recollected that only four or five short months after the vote had been given in this House on that Bill, the Government of the day — the Government of which the hon. gentleman was a member himself — adopted the very reasons given by the majority in this House for opposing that Bill as an excuse for not carrying out its provisions. This is the spirit in which the Senate generally discusses public questions, and in the same spirit I propose to deal with this question. I must confess to a certain feeling of disappointment as to some of the provisions in the contract which we are asked to ratify. I would particularly specify, as one of the minor provisions, this point: that by clause 7, when a section of twenty miles is built, equipped and ready for working, the contractors are thereupon entitled to ask for their subsidies in land and money for that section, which thus becomes their property. There is also this condition of things that might occur: the contractors might in the space of three or four years build and equip the easiest portion of the line — the 900 miles to the base of the Rocky Mountains — and at the same time have the benefit of the portions of the railway already constructed and about to be constructed by the Government within that period; and if they chose not to go on, how can they be prevented, and how can the Government resume possession of the property with which they will have thus parted? In other words, how is it to be forfeited by the Company to the Government in case the whole line is not built and continuously worked? I am quite aware that there are provisions in reference to land and railway mortgage bonds, a proportion of 20 per cent. of which is to remain in the hands of the Government. After all, the great security we shall be told, no doubt, on this point, consists in the fact that this percentage is to remain under the control of the Government. At the same time, I should have had some misgivings on this point, had the House not been assured in the most solemn manner by the ex-Secretary of State that these gentlemen were contractors, not only of character and experience, but also of means, and that they would, without any doubt whatever, be sure to fulfil the contract by building and working the road. It is true that he had his own reasons for that; but he gave those reasons, and gave as the reasons for the conclusions he drew from them that the parties would be certain to fulfil the contract. Under those circumstances, and looking to the overruling power of Parliament, we may perhaps assume that the Company will substantially carry out everything that is necessary, and the country will have the benefit of the railway. Now, on the question of percentage, it must be remembered that a large proportion — 20 per cent. — of the bonds and funds, if the parties chose to avail themselves of the privilege of issuing bonds, is to remain as security for the performance of the contract, and not to be given up to the contractors as intimated the other day in reference to the St. Peter's Canal. My hon. friend, the leader of the Opposition, has taken the ground, as against this contract, that it would have been the better policy to have this road constructed as a Government work. The hon. gentleman, and several hon. gentlemen who followed him, have committed themselves to that argument and to that policy. Well, I may say to the House that after listening to the admirable speech made by the hon. Senator from Londonderry upon that point, and the clear and convincing argument of the hon the Minister of Inland Revenue last night, I think they ought to be satisfied that the policy which has been inaugurated by this Bill is the right one. An hon. gentleman, who from his position and connection with the Intercolonial Railway for many years, is enabled to speak with something like authority upon the point, has given us as his experience that the estimate of the cost of the road rose from $17,000,000 and a little over to about $22,000,000 during the short period of years that road was under construction, and I do say that anyone who has read the evidence given before the Railway Commission during the last summer could not have failed to be struck with the many instances of jobbery and corruption which were developed before that tribunal, and which could not be prevented under the best Government. Now, under those circumstances, it is rather late to reopen that question, and I am surprised that my hon. friends, with the past experience we have had, and with all the charges that have been made in this House and elsewhere, should not have been satisfied to give up the policy which is on the face of the Act of 1874, and which was, at all events, a fruitless policy, and that they would have been perfectly satisfied to have taken the policy of building this road by a company, assisted by moneys and lands. Then, I am asked, are we not willing to trust the present Government with that power? I may answer to my hon. friends that if I am obliged to look forward to a future of ten or twenty years, I could not be satisfied that we should always have this Government in power. We might possibly have another Government, and we are not legislating for any particular Government, but we are legislating for the future of Canada. Now, I have listened to the speech made by the hon. the leader of the Opposition — made with his usual moderation, and I might add, with more than his usual ingenuity and plausibility — and I trust I may be able to present some considerations which no sophistry can evade and no speciousness can successfully combat, nor should I have risen on this occasion at all had it not been for the numerous objections made by the hon. gentleman to this contract, some of which only have been answered, and I propose to take them up in their order. My hon. friend called attention — and it was a most unfortunate reference — to the enormous increase which has taken place in the value of the lands in the North-Western States of America, arising from the increased demand for cereals and cattle in Europe. One could not help being struck by the reflection for a moment, if it be the case, that this process of change is going on, why should it not extend to our own territory, why should we not get the benefit of it? My hon. friend will say "certainly." Well, look at the result. He brought forward as an argument the value of those lands. If this is a fact; if this process of change is going on, and the lands are increasing in value, we have at all events this comforting assurance, that after we part with those 25,000,000 of acres of land, we have ten times as much remaining, which will be increased in value also. Some statistics have been brought forward on that point by the hon. Senator from Londonderry, and my attention has been called to this calculation of Mr. Hurlburt's in his "Physical Atlas." It appears from the estimate that, west of Ontario, we have a tract of something like 600,000,000 of acres of land suitable for the production of cereals Taking only half of it, we shall be still a little in excess of the estimates made by our own surveyors, who have not gone over the ground as carefully as this gentleman appears to have done. We should have 250,000,000 of acres, excluding the Hudson Bay Company's lands, and the other lands reserved, and we should have left, after parting with the 25,000,000 acres, something like 225,000,000, nearly enough to pay the subsidy and wipe off our national debt, at our reduced estimate of $1 per acre. I now come to the proposition of what is called the new Syndicate, and I have to observe in the first place that it is a misnomer to call these gentlemen a syndicate. A syndicate is a council of syndics, representing other people, but these gentlemen represent themselves only, and come forward as a company to undertake this work on their own limited resources, as we shall see presently. It is far different with the persons who are to be incorporated by the Act before us; because these people have at their back the financial resources of three or four countries —England, France, Germany and America — besides our own. Now, as to the position of this Syndicate whose contract is before us, I can well imagine — had those gentlemen been friends of the Government — we should have had just such a howl of execration at the conduct of the Government, as we had a few years ago when the Allan contract was under consideration. It would have been said: "Look at the way they are favoring their friends; we have brought forward a little bargain, and because our company is composed of our political friends, the Government are disposed to do as they did before." Fortunately they are not in a position to use that argument since the leading persons connected with the first Syndicate, are certainly not political friends of the Administration, but may perhaps be regarded as their opponents. My hon. friend, the leader of the Opposition says that one of his strongest objections to this contract is, that it may pass into the hands of American capitalists. Well, suppose it does, to my mind it is one of the strongest recommendations of this contract that it is to be the means of introducing foreign capital into this country, and as a corollary of that, introducing immigration on a large scale. These two points cannot be controverted, and we shall presently see how impossible it would be to have this advantage under what is called the new Syndicate. But on that point I think the House ought not to hesitate in making up its mind. Time and again I have called the attention of this House to the absurd expenditure of money we were making from year to year of hundreds of thousands of dollars for the purpose of what we called aiding immigration; keeping up large establishments in London and elsewhere in England and on the continent for the purpose of inviting immigrants to this country instead of taking the common sense course which was alluded to last year by the hon. Minister of Inland Revenue; the course that was taken by the people of the United States in leaving these matters to the great steamship and railway companies who have the greatest possible inducement to bring immigrants into the country, because in doing so they were just benefiting their own interests, whether as owners of vessels or railways, or of lands to be disposed of. That is a very strong feature of this contract, and commends it to my mind. My hon. friend makes another objection to this contract. He says that the stock cannot be parted with, cannot be transferred without the consent of the Syndicate, and he says further that the stock can only be sold at such prices as the directors may fix. If my hon. friend had taken the trouble to look at the two offers he would have seen that they stand in exactly the same position in that respect — they both ask for the same protection — and I will not discuss the question as to the desirability of that protection. Another objection that is made is that there is no protection to the public as to the bridges over rivers. I think the public are already sufficiently protected; we have got the law of the land — the General Railway Act — which of itself is quite sufficient protection. But if it is not, why is it that these patriotic gentlemen, who come forward to benefit the country by making this offer, have not put anything in their Bill to protect the public? They do not ask for anything of the kind — they have got the same clause in their offer that there is in the contract before us. The same observation may apply to the question of rates, which is another bug-bear that has been raised in this debate, and my hon. friend goes so far as to say that if that clause were modified it would remove his chief objection to this agreement. Now, my hon. friend and those who have adopted that line of argument, must suppose that this Company, once their railway is built, are going to fly in the face of their own interests in this matter, and impose such rates upon the traffic and travel over that road as will be prohibitory. My hon. friend must recollect that at the present moment there is in existence one leading line of communication covering the same ground, from ocean to ocean, the Union Pacific Railway and the Central Pacific Railway; and before the end of ten years there will be two other rival and competing lines, the Northern Pacific and the Texas Pacific, both running parallel with this and tapping the great trade of the Pacific. They will therefore have competing lines, and it will be for their interest to keep these rates down; but if that is not sufficient, my hon. friend has the assurance from the leader of the Government in this House, in conformity with the assurance given by the Premier in the other House, that there will be legislation this session to fix the capital, as to which this ten per cent. that is proposed, is to apply. The amount is reduced from fifteen to ten per cent. by this Bill, and we shall have further protection in legislation which is promised, so I need not worry the House with any more remarks on that point. We now come to the question of the taxation of the roadbed. We have heard before, in this discussion, that in a great many instances in Ontario these roads are exempt from taxation; and, speaking for my own province, I can only say that every road that is subsidised by the Government there, is free from taxation for ever. There is a well known instance of it in the Windsor and Annapolis road which connects the Western counties with Halifax. When the question was raised, not many years ago, it was brought before the courts, and the courts held that the roadbed was not liable to taxation. I assume that the hon. members are not satisfied that the country shall have the advantage of having a cheaper road in consequence of giving these people better terms; but they desire to tie them down in such a way as to increase the amount we should have to pay in the older provinces. I can only say to them that we have the same system in Nova Scotia, and any argument that is founded upon that, can have no weight in this House. As to the exemption of the lands from taxation, it must be borne in mind in the first place that it is only for twenty years; and in the next place it only applies to the North-West Territories, and not to any other part of the Dominion. Why we should enable the people of the North-West to pounce down upon these lands, after giving them a permanent line of communication for their benefit, I can hardly conceive. My hon. friend knows that by this section, the moment these lands are sold or occupied (not *and occupied*), they become liable to taxation. It is said again that the materials to be used in the first construction of this road are to be admitted free of duty. I have before me a list of nuts, bolts, fastenings, spikes, and other materials (exclusive of steel rails which are already free) which are liable to duty, including telegraph wire — I take it from the official return which was placed on the table of the House of Commons — and I find that the whole amount of this horrible bugbear of millions of advantage that is to be given to this Syndicate, only comes to $131,000 from first to last. Allow me to pause at this point — these are the three points which I have been discussing, which the new Company propose to give up — these exemptions. Now, I will just ask the House to consider for a moment this point: we have had a statement laid before us, taken from the highest authority in the country, as to the financial ability of the members of the new company; we have had their means put to the test — not with a view to this question but apart from it altogether — and we know that the whole amount of money they control is something between two and three millions of dollars. It is quite impossible that out of their own means they can build that railway; they have to go, as other people have to go — as these men, whose names are mentioned in this Bill, and who count their resources by millions, have to do — to the markets of the world for money. Fancy this new company going to the market in London and asking for assistance to carry out their contract — if the Government had been foolish enough to accept it, or had been driven to accept it, what would be the answer? I fancy them going to those old gentlemen in Threadneedle Street and asking for financial assistance, and the following colloquy taking place: —

> "Is it true your Bill enables the Government of the Dominion, or the Governments of the various provinces through which your line passes, to pounce down upon your road and tax it?—Yes.
>
> "Are there 22,000,000 of acres of land subject to taxation?—Yes.
>
> "Are all the materials for the construction of this road to be taxed too?—Yes.
>
> "Well, then, gentlemen, I think you may as well go home again."

That would be the answer, undoubtedly, without reference to enabling branches to be built to tap the trade of the North-West to the Northern Pacific. Then, again, I come to another point that is of a little more importance, because it has scarcely been referred to at all, in my hearing, in the sense in which I intend to place it before the House. The question of monopoly of transit has been raised; and while it is admitted that, on one side of the Canadian Pacific Railway there is a restriction as to competition—we are aware that, in consequence of the able and energetic action of my hon. friend from Victoria, we have had, I think, two companies chartered to build the road to Hudson's Bay north of this line — there is nothing in this Act to prevent competition north of Lake Superior and the Ottawa. So on the south; there is nothing to prevent a line being built, as I read in the 15th section. It is as follows: —

> "For twenty years from the date hereof, no line of railway shall be authorized by the Dominion Parliament to be constructed south of the Canadian Pacific Railway, from any point at or near the Canadian Pacific Railway."

Now, I do not hesitate to say there is nothing in this Act that prevents the chartering of companies to build lines all over this southern part of 70 or 80 miles between the Canadian Pacific Railroad and the boundary, that does not start at or near the Canadian Pacific, or run within 15 miles of her boundary. We have already the Manitoba and Saskatchewan Railroad. There is nothing to prevent that railroad being extended in any direction, provided it is not at or near the Canadian Pacific Railroad. That is the construction of this clause, and no other construction can be placed upon it. If I am told: "you cannot go within 15 miles of the boundary," I ask: do you want to tap the trade of the great North-West? Are gentlemen desirous of having the trade of that country carried away from the Dominion? Is that the patriotic view; that parties should be at liberty to run railways down and connect with the Northern Pacific? If that be the meaning of their contention, let them say so. But there is nothing in this Act, except that restriction, to prevent any company from being chartered, provided it be not a company that commences "at or near the Canadian Pacific Railroad." Now, we come to the question of land bonds. My hon. friend the other day made a great point about it. He said we were getting into a horrible financial tangle; and, in fact, he did not know exactly what would be the result, and probably nobody else could tell what would be the result, of this great proposition of the land monopoly, and he followed it up. Strange to say, he did not confine himself to general objections, but he followed it up by making a calculation, and he accompanied this with the challenge "There are my figures; I will give them to you and you can look at them," and he pledged his reputation that under this legislation this country would be committed to an expenditure during the next ten years of $83,400,000, in connection with this contract, and he said that he had made his calculation strictly under the Act. Now, hon. gentlemen, I confess I was slightly astounded at that statement. Of course I know very well it was not justified in any way by the Act itself, and I was surprised that an hon. gentleman occupying the position of my hon. friend would undertake to make such a statement as that, when he must have known that the whole money liability of this country, under this contract, is expressly restricted to $25,000,000, and no more. My hon. friend was discussing these clauses, and he read a part of them, but he did not read the whole of them. He spoke particularly of clause *b* and clause *d*. Hon. gentlemen have the Bill before them, and can see for themselves what is clause *b* of section 9. I shall not read it all; I shall only read the crucial part that settles the question:—"The Company have the option af receiving, in lieu of cash, terminal bonds bearing such a rate of interest, for such period and nominal amount as may be arranged, and which may be equivalent, according to actuarial calculation, to the corresponding cash payment." Now, that limits any payment that the Government may make. It is a mere matter of finance, and it is of no consequence to us how it is done, provided we only give the equivalent of what we have to pay. Now, let us go to section *d*, which says:—

> "*d.* Until the first day of January, 1882, the Company shall have the option, instead of issuing land grant bonds as hereinafter provided, of substituting the payment by the Government of the interest."

This has been spoken of constantly as a guarantee of the principal of these bonds. There is no such thing as this in the Act at all; it is merely a guarantee of the interest, and to what extent? My hon. friend made it out to be $83,000,000. Now, what is the equivalent? "Such payments of interest to be equivalent, according to actuarial calculation, to the corresponding cash payment." That is all; and even in that case the House will recollect that the Government provides in sub-section *e*, as a protection to the public, that "if the Company avail themselves of the option granted by clause *d*, the sum of $2,000 per mile for the first eight hundred miles of the central section shall be deducted *pro rata.*" My hon. friend, in making his estimate, spoke of this $25,000,000 throughout as if it were a sum payable at present. We know that in point of fact it is spread over a period of twenty years.

Hon. Mr. SCOTT — I said twenty years.

Hon. Mr. DICKEY — It has already been mentioned by the late Finance Minister, that capitalized, it would represent something equivalent to $19,000,000, so that it is limited, in the first place, to $25,000,000, and, as a basis of calculation it is only somewhere about $19,000,000. Therefore, assuming the calculation of the Minister of Railways, as to the total amount to be given to the Company under this contract, it brings it down to something like $71,000,000 or $72,000,000, instead of $78,000,000. But my hon. friend gives us his own calculations, and he puts $34,500,000 down as the cost of the portions of the road already constructed and under contract. I must decline to accept that estimate. My hon. friend has no doubt made it all in good faith, but we have before us the official estimate, which was laid on the table of the House of Commons — and it has been there for question, if any person chose to question — and it is shown that the whole of that expenditure is only $28,000,000 instead $34,500,000, as my hon. friend estimates it. The object of my hon. friend, of course, was to give us a correct estimate; but in his excess of zeal, as we shall hear presently about other things, he has gone a little beyond the mark. Now, the 25,000,000 of acres of land at say $1 an acre, the $25,000,000 subsidy, and the $28,000,000 already expended or to be expended on the road, would make a total of $78,000,000 which has been estimated as the actual cost of the road under this contract; and, if you deduct from that the difference between what is to be paid, which the country has not expended, and the $28,000,000, and reduce the $25,000,000 to its present worth by actuarial calculation, the present liability will come somewhere to $71,000,000 as the total amount. This brings us to this wonderful saving of $12,000,000 which would be the result if the offer of the second Syndicate were accepted. My hon. friend from Hamilton, in his more careful calculations, has come down to actual hundreds and thousands of dollars — in short, he has come to $12,540,000. He has not given us the elements of his calculations, but he undertakes to assert that we lose that amount by not accepting this second offer. I deny it altogether. We will try the matter by his own test presently, and in order to do that he has put down the value of these lands at $3 an acre. That is to say, the lands near the railway, the lands along the railway — lands anywhere within 24 miles of the railway, and all the lands that may be hundreds of miles away from it that those people get by building branches to them — all are put down at $3 an acre. Let us try it by that test, and see what those gentlemen who propose to build the railway — I do not call them a syndicate, but the gentlemen who made this counter proposition in order to divert the attention of the people from the real value of the first contract — would get under this basis. By his contention they would realize $66,000,000 out of their 22,000,000 acres of land, and they would realize $22,000,000 as the cash subsidy. That would be $88,000,000 they would receive if they built the whole railroad, exclusive of the portions built by Government; and, if the estimate of $5 per acre of an hon. gentleman on the other side of the House (Mr. Reesor) be correct, they would get $110,000,000 for their 22,000,000 acres of land, and, with the cash subsidy, they would receive altogether $132,000,000. Yet this is the offer which the hon. gentleman says would be wise for the Government to have accepted. Now, let us try it a little further. We will assume that under this offer the new contractors go on to build. I may say with reference to that, that my hon. friends well knew when they pressed this offer upon the Government that the only result that could follow from Parliament rejecting the contract now before us, and substituting for it another to which the Government object, would be the resignation of the Ministry.

Hon. Mr. SCOTT — No, no.

Hon. Mr. DICKEY — I say yes, it would have no other result. I am not using this as an argument to affect the action of the House, for, as my hon. friend has said, we are above such influences, but the hon. gentleman presses this point: "Why did not the Government accept this offer?" My hon. friend from St. John (Mr. Lewin), last night, said the second was a most advantageous offer, and ought to be accepted, because his friend Alexander Gibson, I suppose, was on the Syndicate. If the new company built this nine hundred miles of railway, which is the paying part — the prairie section — and the Sault Branch, what would they get? Why, they would get, in the first place, $6,600,000 in cash and 9,000,000 acres of land, which, calculated on the same basis of the $3 estimate, would be $27,000,000. That would be $33,600,000, and if you add to that the subsidy for the Sault Branch you would have a total of $37,140,000 that they would receive, and the country would have to give them the paying section of the road — the central portion — and both ends unfinished. We should have no national highway — we should have no railway at all, so far as this Dominion is concerned. My hon. friend says it does not follow, but he knows well that this offer was made with pre-concert and pre-communication with gentlemen who would have been called upon to take the portfolios of the Ministers who would be displaced were this Bill to be rejected. Therefore it is idle for them to tell us that the Government would not do this, and the Government would not do that, when we know that it is the declared policy of the leader of the Opposition — that it is the policy he advocates — the policy of giving up this line north of Lake Superior, and he has over and over again advocated the policy of not making the line through the Cascade range and the Rocky Mountains; he has told us that it is the true policy of the country to depend for the communication with the North-West upon the line ending at Sault Ste. Marie.

Hon. Mr. SCOTT — No; it is merely a postponement of it.

Hon. Mr. DICKEY — I am going to discuss this question of postponement presently. My hon. friend calls me to account for my former references to that policy. We had a policy upon that subject years ago, and what was that policy? It was after the Government had tried in vain to secure the construction of the all rail road. We said then: "Why not, in the meantime, commence your railway at Red River and work west, bring people into the country, and by this means give yourselves the resources to continue that line east and west after it was located?" Up to 1879 the railway was not located, and we have lost, I humbly submit, years of progress by not taking the policy that was then advanced. We should have had that North-West country populated to a very considerable extent; certainly far exceeding its present population; we should have been enabled to dispose of a great deal of the lands, and had something like a fair beginning. Certainly the hon. gentleman himself ought not to have objected to that policy, but it was objected to, and what then? I said, in the meantime, when there is no prospect of getting any communication, "why not go on in the direction of Lake Superior, and build this Sault Branch, or aid its being built?" Either build it as a part of the Pacific Railway — because at that time it was supposed that the line would follow pretty closely the north shore of Lake Superior, and the line to Sault Ste. Marie would, therefore, be directly on the line afterwards to be a part of the Pacific Railway. That is all I said. In the meantime we should have communication with Lake Superior, and, when the line that was then about to be constructed to Thunder Bay should be finished, we would have the means of tapping to some extent the trade south of Lake Superior. That was the policy we advocated, and yet that is the policy which my hon. friend has called in question here. If he refers to the speeches of my hon. friend from Victoria and of the hon. gentleman who spoke last night, and of my own, he will find that we all ran in the same direction — that it was only to be a temporary substitute, because there was no railway located north of Lake Superior. I do not know that it is located north of the Lake as yet; certainly it was not last year, and there were no lines through the Rocky Mountains located, and we said, "Let us have communication somewhere, especially with this line that goes in the direction where, if the Canadian Pacific Railway is ever built, it must become a part of that railway." This brings us to the question of the value of the lands. My hon. friend makes an estimate of $5 an acre, and brings forward the regulation of the Government in 1879 fixing the price at $5 an acre for lands adjoining the railway. My hon. friend might in all candor have said "I shall go back after the first square mile; as you go back from the railway the price decreases. That after the first belt is $4 an acre; the next $3, and so on."

Hon. Mr. SCOTT — So I did to the $3 belt.

Hon. Mr. DICKEY — If my hon. friend will only stand to that, and only call it that, I will be perfectly satisfied: $3 for what? Three dollars as the price of lands that we had sold, but coming into competition with the homestead and preemption rights, and my hon. friend will find that instead of $3 it can only be the half of $3 an acre, because half of those lands were reserved by the same regulations for free homesteads on a nominal payment, which would be only a few cents an acre. Let me speak of this policy of 1879. I have heard mention made of these 100,000,000 of acres of land that were to be appropriated. But how were they to be appropriated? That was an appropriation by Parliament to be placed in the hands of the Government with the view of accomplishing this work, with the further assistance of an Imperial guarantee. That was the policy, and it is there on the face of the resolution. The Ministers went to England. It was after that that these land regulations were made, placing a high value upon the lots that were reserved by the regulations. They were to be in alternate blocks, just as you have them now in alternate blocks of one square mile, not fixed in the way they were in 1874, where parties could secure a frontage of six miles along the railway and extending back. What was the result of that? Why, the result was that the

Government issued at the same time regulations to say that their lands of alternate blocks — I think they were the same numbers — should be held, in the first place, giving 160 acres homestead free and a pre-emption of another 160 at two dollars and-a-half per acre, which would make an average of one dollar and twenty-five cents an acre for these lands — that is for lands near the railroad. Well, hon. gentlemen, under these circumstances, how are we to expect that these gentlemen are going to make a fortune out of those lands? I may examine that question a little more closely and we will see how that comes out. There is one thing perfectly clear — that at all events until the whole of the lands of the Government are disposed of, it is quite impossible that this Syndicate can get more than $1.25 an acre for their lands, not to speak of the expense of management, because no man in his senses will give them $3, or this mythical $5 an acre for their lands when he can get lands in the same locality for nothing, or $1.25 per acre. In point of fact, I have in my hand the record to show what has been the practical working of these regulations, and I ask the House before I come to that, how is it possible that they could expect that any other result would follow. Now, I have a return in my hands that has been laid on the table of the other House, and the result of those regulations will astonish hon. gentlemen a little, I think. It is the returns of the sales of those lands, amounting to nearly 4,000,000 acres — the proportion of these lands held under those regulations for homesteads and pre-emptions by the Government; and what is the result? Why, up to last October the average receipts per acre — and I hope the House will listen to this statement — the average receipts per acre has been 16½ cents. That is the result. I have it here, with all the figures of every acre that has been sold. Hon. gentlemen will say "How can that be, while the average price of these lands, you say, is $1.25?" It arises from this circumstances: When people could get lands free they did not care to pay for them. They got homesteads, and only in exceptional circumstances did they ask for pre-emptions and pay for them. The lands are offered on the most liberal terms of payment, and this Company could certainly give no more favorable terms than the Government offer to settlers. In the face of those facts, how can hon. gentlemen stand up here and say that we should estimate this land that we are going to give, and this Company are going to take, on a basis of $3, $5 or $10 an acre? If the actual operations of the last eight years, under this system of selling land, will not satisfy, I shall call a witness into court who, I think, will not be questioned by hon. gentlemen on the opposite side of the House. I shall refer them to a statement made by a gentleman who was himself five years administering these very lands. Speaking after the event in 1879, the hon. the ex-Minister of Public Works, Mr. Mackenzie, states this as his experience in dealing with these lands, and, I think, we are entitled to give him, in the first place, credit for sincerity, and, in the next, for knowing what he is talking about. He says:—

> "I do not understand why the hon. gentleman (that is Sir Charles Tupper) anticipates a large revenue from the lands to be sold, because it is absolutely indispensable, in order to induce settlers to come into the country, that we shall furnish them with land free of charge."

Then he goes on to say:—

> "We have found it very difficult, indeed, in Canada to promote settlement, even where the land was given away by the Government."

He says further, and this is his conclusion: —

> "We must, therefore, make up our minds that if we are to settle that country it will be done in the expenditure of a large amount of money to aid settlers in going in, and giving them lands after they get in. That is my deliberate conclusion."

And he adds:—

> "I have no faith in the obtaining of money in any other way but by the taxation of the people of this country."

I may as well refer to an expression that was made use of by the hon. gentleman — perhaps not of so authoritative a character as this, because it was in the excitement and heat of debate — when he talked of the Allan affair; he said "You might as well offer $10 as 50,000,000 acres of land." He had no faith in it at all. I certainly do not share his feelings, but I quote these as unanswerable arguments to hon. gentlemen, and I would like to know how they can answer them? My hon. friend has made this extravagant calculation as to the value of this land, and I leave him and his late leader to settle this question between them. I find that he is equally extravagant as to his estimates of the receipts of the road; for he goes so far as to tell us that in a few years the receipts of this road will not only pay the actual working expenses, but they will pay a large sum towards reducing the deficit on the Intercolonial. Just look at this question for an instant. The Intercolonial is a road that taps the trade of nearly four millions of people. It goes through a country with abundant traffic, and terminates at the finest harbor in North America; and yet that road has been subject to annual deficits, but deficits which, under the able and economical management of the Minister of Railways, were reduced last year from someting like three-quarters of a million to $95,000. Yet, in the face of this, the hon. gentleman tells us that another Government road of 2,700 miles in length, and running through a sparsely settled country, will in a few years return traffic that will pay the expenses not only of the road itself, but make up the deficit created in the working of a road of one quarter the length, that taps a trade of something like four millions of people. I have only mentioned the fact to show the extravagant nature of the hon. gentleman's calculation; it was purely conjectural, and my hon. friend will find it difficult, I think, to substantiate that estimate. Now, my hon. friend on the other side of the House (Mr. Haythorne) made a comparison of the Union Pacific Railway. He said that there were millions in it. There are millions of revenue. Well, what is the Union Pacific? It is the only line of communication for 50,000,000 of people from one side of the continent to the other, and is my hon. friend going to compare that to a line such as I have just now described? If he is, he will find that, even if the day should ever come that we will have a trade such as he speaks of, the United States will probably increase just as fast as we will, and their trade will increase proportionately. But it is in vain to adopt such calculations as these to arrive at a conclusion. Another argument is that the Syndicate will carry the trade of the North-West to St. Paul and Chicago. It is strange that such an argument should be used by gentlemen who have been exercising their wits to induce this House to adopt the offer of the second company with a view to diverting the trade of this country to American lines of railway. It is evidence that my hon. friends are in an unfortunate position on this question. They have got to confront this: that these gentlemen, who, we are told, are sure to build this line, will, after they have done so, ignore the 1,000 miles of their line from Red River to Lake Nipissing and take the traffic away by a route of which they own but a few hundred miles leading nowhere. The statement, on the face of it, carries its own refutation; and can have very little weight in the country. At all events, the hon. gentlemen do not seem to be afraid to have our trade carried through the United States south of Lake Superior; they want our railway built by that route. We are told that the negotiations of this contract were secret and that no tenders were called for. I beg to say that my hon. friends are entirely mistaken. Before Sir John Macdonald made that speech in Bath, gentlemen had arrived here from London. It was well known; it was heralded in the newspapers, and was referred to by him in his speech at Bath that Lord Dunsmore and Mr. Pulestone had come here for the very purpose, last spring, of securing this contract, and made an offer. What was the result? Why, the Government cautiously said "We will think over this matter, but we will meet you in London and discuss it." And lest there should be any misunderstanding the right hon. gentlemen said in his speech "We have that offer under consideration, and we are going to England about it." They went to London, and let me pause here to do a simple act of justice to the Premier and those who were associated with him on that occasion. I was myself in London during the whole time and was in almost daily communication either with them or with others, who were there looking after their own interests. Naturally, I was very anxious to see that a good bargain was made, because I had a very strong opinion that the true interests of this country required that, if possible, we should interest capitalists abroad to invest their capital in this country, and not render it necessary that we should tax our own limited resources and allow our capital to be absorbed in this work. I got all the information I could from the counsel employed and from the parties. Of course I could get nothing from the members of the Government because their mouths were sealed. There were four gentlemen there who were quite able to look after the interests of the country, and I can bear willing testimony to their untiring zeal and devotion to the interests of their country while I was there. I can bear testimony to the fact, and perhaps there is no one had a better opportunity to judge of this than myself. Those persons who had crossed the ocean to enter into the contract had returned and interested their friends. I am now stating things which none of the Ministers can mention, as perhaps they would feel themselves prevented from doing so. These English capitalists came forward with their offer, which was under consideration. In the meantime other gentlemen came forward. It was well known and heralded in speeches and elsewhere. The members of the Government made no secret of it in my hearing and in the hearing of others, and said they had not gone to England for the purpose of borrowing money, but to get people to undertake the construction of this work for a reasonable subsidy of land and money. As the saying is, the right hon. gentleman talked up the country well, and while he was negotiating with those people others came in the field. Mr. Pulestone and Lord Dunsmore had their counsel, Mr. Hector Cameron, who was looking sharply after their interests. There was a competition, and the Government, I suppose, played one against the other, and got the best bargain they could. They found, in point of fact, that one party wanted a good deal more land than the other. In other words, they wanted harder terms. So the negotiations went on, and finally the present Syndicate was preferred. They had not only their own resources to fall back upon, but they were backed by the most eminent financial firms in London, Paris, Germany and elsewhere, and the result we have before us. I thought it but right that I should make that explanation. I now come to a point of some importance, as to distances, and if it had not been for this I should not have troubled the House at all this evening. I appears to me from the statement before me that there is a serious mistake in the distances mentioned in this Act, and in the contract, to which I wish to call the attention of the leader of the Government. The central section is assumed to be 1,350 miles, of which the first 900 miles run from the end of the 100-mile section under construction west of Fort Garry, and the second part, 450 miles, extends from Jasper Valley to Kamloops. That, I apprehend, is a mistake. It is only 335 instead of 450.

Hon. Sir ALEX. CAMPBELL — How does my hon. friend make that out?

Hon. Mr. DICKEY — I will tell the hon. gentleman. The distances are: —

	Miles.
Port Moody to Yale	90
Yale to Kamloops	127
Kamloops to Jasper Valley	335
Selkirk to Jasper Valley, which includes 100 miles under construction	1,000
Red River to Thunder Bay	406
Making	1,958

which we were told by my hon. friend in his address to this House, the first day, was the distance from Lake Superior to the Pacific. The distance from Lake Nipissing to the junction at Thunder Bay is 650 miles, making a total of 2,627 miles, exclusive of the Pembina Branch.

Hon. Sir ALEX. CAMPBELL — I read the distances as given by Mr. Schreiber, a sketch of which I have before me.

Hon. Mr. DICKEY — I take the distances from the report of 1872, in the Sessional Papers No. 33, and they are as I have stated them. The distance from Tête Jaune Caché to Burrard Inlet is 450 miles, and that is where these figures come in. Now, taking the 90 miles from Port Moody to Yale, and the 125 miles from Yale to Kamloops from that, leaves 335 miles.

Hon. Sir ALEX. CAMPBELL — I think my hon. friend is mistaken. I have got the distances in three different statements from the engineers. They have been actually measured, and I have stated them just as the engineers gave them.

Hon. Mr. DICKEY — My object in noticing this discrepancy is this: If I am correct, the liability of the Government is just so much less both for lands and for money. The difference amounts to a very considerable sum.

Hon. Mr. READ — It is a bulk sum.

Hon. Mr. DICKEY — The distances are assumed.

Hon. Sir ALEX. CAMPBELL — That is only the divisions. The grant is a gross sum of $25,000,000.

Hon. Mr. DICKEY — That makes it a little more unfavorable to the contract. My hon. friend (Mr. Reesor) in referring to this question, said that the Company could lease their lands about the villages and escape taxation. The hon. gentleman is entirely mistaken, because wherever the land is sold or occupied it is subject to taxation. If they occupy it, of course they have to pay taxes. Here is one question which I should like to put as a test question. Suppose the hon. gentleman were in the position that this country is in to-day, and owned this large inheritance of 250,000,000 or 300,000,000 of acres of land, and suppose he was told that by giving up one-tenth of this land he could secure an iron road through the whole of it, and thus make the remainder of that land doubly and trebly valuable, would he hesitate a moment in accepting the proposition? I think not. My hon. friend from Hamilton referred to the fact that the right of way and station grounds are to be given by the country. It is the same thing in the second offer and in the Act of 1874. He says all those advantages would have been swept away if the Government had had the courage to accept the second offer! The same clauses are in both offers, and the same clauses are in the Act of 1874. As to the question of roads, it is hardly worth while to enter into that, because anyone who knows anything about prairie countries is aware that the best road is the prairie itself before it is broken up. He does not suppose, at all events, that it is intended, besides giving the settlers in that country a railroad, to open cross roads for them, too. The hon. gentleman thinks that the whole road could be built on Mr. Fleming's estimate of $84,000,000, but he knows that is for a cheap colonization road. We have had the estimates of the present leader of the Opposition, and the late leader of the Opposition, both stating the amount at something like $120,000,000 for a good road, such as we are to get under this contract. Therefore, I assume that settles the question of cost. Mr. Mackenzie had advertised in the papers for a couple of years or so, and met with no response. This was the state of things when the present Government took up the thread of negotiations; and the policy of the Government, as I understand it, is to build this road chiefly by means of the prairie lands, and make the central section build the two ends. I think it is a wise policy, and instead of stopping at the end of the good part of the road, we should make it subservient to the grand purpose of completing a great national highway from end to end of the Dominion. The older provinces should not be expected to bear the whole of the burden of taxation for building a road of this kind when the lands through which it is to run would pay for it in a large measure, and the Government are therefore carrying out a policy which will suit the purposes of the whole Dominion. As far as I can gauge the sentiment of the people of this country, it is that this question should be settled. It will be a relief to the country when we know that the incubus of the enormous undertaking is removed as a disturbing element from the finances of the country, and I have no doubt the decision of the question to-day in favor of ratifying the contract will be hailed with satisfaction from one end of the Dominion to the other. I think the House will admit that the more this question has been discussed, and the more light has been thrown on it, the better satisfied have people been who have been desirous of forming an enlightened judgment, that it is in the interests of the country. We have now before us a contract which will secure, as is admitted, the construction of this work for one-half the amount of lands which Parliament was willing to appropriate on any former occasion; and when we look at the gigantic character of the undertaking, the question of interest, or the amount of money that this Company will have to pay before they can get any returns from the lands, I think it must be considered as highly improbable that they will ever make any great profit out of it. But if they do, are they not entitled to a profit commensurate with the risk they run? Nobody will grudge them that. See what this country will gain by the construction of the road! In the first place, we gain an iron band to bind this great federation together; and we are to be told that this is to be stopped, that we are to be set afloat year after year, until some political complication turns up and then to do what we can, and probably be in the same position again! I think the country will not sanction that course; besides we are substituting for an indefinite and unlimited risk, such as my hon. friend and his *confreres* imposed upon us when they made this railway a Government work, a definite and limited liability. That is what the country wants; and, in conclusion, I would just say to my hon. friends, no doubt, looking at it from their party point of view, they would desire and would have a right, if they chose, to desire that this contract should be defeated, because they feel that if it is accepted by the country, and it should prove, as has been admitted already, that the Company are able to carry out this great work, my hon. friends would look in vain for a return to power in this country for a great many long years, and therefore I hope that they will accept the reciprocal appeal that I make to their appeal to members on this side of the House — that they will raise this question above party, and that they will look at it entirely from the point of view connected with the future prosperity and well-being of this Canada of ours.

Hon. Mr. PELLETIER — I do not wish to prolong the debate, but, as seconder of the motion now before this House, I feel bound to make a few remarks. I am not so presumptious as to suppose that I can throw any new light on the question before the House, or advance any new arguments in support of the position which those who are opposed to the measure have taken, but I feel that I should fail in my duty if I did not say a few words on such an important question. Before addressing the House on the measure itself, I desire to express my regret at the manner in which this discussion has been conducted. I thought we could, in this Chamber, debate the subject without any party feeling, and that the supporters of the Government would have confidence enough in their case not to bring such charges as those made so often before and which have nothing to do with this discussion. It was clever, perhaps, on their part, to divert attention from this great question, which creates so much anxiety amongst the people, but it was certainly unfair. Every member of this House will agree with me, I am sure, that there was nothing in the elaborate, exhaustive and courteous speech of the ex-Secretary of State, or in those of any members on this side of the House who have spoken, to provoke such attacks. I refer especially to the language used by one hon. member, which I will not attempt to characterize, lest I should be unparliamentary, but we know it was certainly unfair: the expressed opinion that all the sound arguments were on his side, and that the arguments opposed to him were mere nonsense.

Hon. Mr. ALMON — Hear, hear.

Hon. Mr. PELLETIER — I am surprised to hear the hon. gentleman say "hear, hear." When we see such a course taken in a discussion, we think it better to leave the public to judge; it is what I will do. During the progress of the debate I took notes, and prepared a statement which I had intended to submit to the House, but so many statements have been submitted, and all of them differing, that it seemed to me extraordinary how such results could be arrived at by the use of figures; and, therefore, I do not venture to submit the statement which I prepared myself. I have no intention of wearying the House by a long speech, because I do not believe that arguments will be of any use. Everyone seems to have made up his mind as to how he will vote, and I do not see any benefit to be derived from a prolonged discussion. I must, however, ask the permission of the House to make a few general remarks. We, on this side of the House, have been so often accused of obstructing the Pacific Railway project, that I, for one, feel bound to deny that accusation. I am as anxious as any member of this House to see that road built, and I think there is no justification for the charge that the Opposition, in this House, desire to obstruct that work. In opposing this measure, let me remind our opponents that we do not intend for this reason to oppose the building of the railway. If we oppose the policy of the Government, it is because we object to the conditions of the contract. We admit that the country is pledged to the construction of that work, and that we must keep faith with British Columbia. Whatever may have been our views in the first place as to the wisdom of making such a pledge. I would be one of the last members of this House who would advocate a breach of faith with British Columbia; but, at the same time, if the proposition involved the ruin of the country, I would not hesitate to ask new terms from that province. British Columbia should not ask for more than the country is able to do. The policy of the late Administration was not to break faith with British Columbia, but to build the work gradually, and no faster than the resources and requirements of the country warranted. Some hon. gentlemen have expressed surprise that we do not accept the contract which has been laid before us. There are times when Parliament should be cautious, and on this occasion it is particularly necessary that we should proceed slowly. Have we not reason to be apprehensive, when we see the Government changing its policy so often? The late Government was charged with having been undecided in its course, but what have we seen the present Government do since they came into power? In less than three years they changed their railway policy three times. They first announced a great scheme for the construction of the road as an Imperial enterprise, and this was triumphantly announced from the hustings and through the press: I, for one, was glad to hear that the Imperial Government had taken up the project, but, unfortunately, there was nothing in it. The next year another scheme was proposed. The road was to be built only by the sale of lands. But before the end of the session the Government was obliged to change again, and abandon that policy. Then they came to another scheme — this last one, which is now occupying the attention of the House. It was decided to go to England and induce British capitalists to undertake the construction of the road. Members of the Cabinet proceeded to London, and remained there some months in treaty with capitalists, but what the negotiations were we could only learn from telegrams in the papers and news by mail to the effect that great progress was being made. For a time we were led to believe that the contract was signed, and that the Ministers had met with great success in their mission; but, unhappily, this was not the case. It was not till several months afterwards, in the month of October, I believe, that the present Syndicate signed the contract. Everything had been kept secret up to that time, and we could not hear a word of what had been decided upon. Now it has come before this House, and, though it has been already stated several times by hon. gentlemen, I wish to say for my own satisfaction that I do not approve of the great secrecy of this negotiation. If it were a good bargain, and in the interests of the country, I do not see why it should not have been immediately made known to the people. It is true that the right hon. leader of the Government gave as a reason, in the other House, why publicity was not given to that contract was that it was not respectful to the dignity of Parliament — that it was against the dignity of Parliament that the people should know what had been decided upon before it was submitted to the Legislature. I always understood that Parliament was the representative body of the people, and I always thought the people should be in a position to advise their representatives in Parliament before any measure of such importance as this was submitted to the Legislature. In the month of October it was decided that this contract should be accepted. On the 9th December Parliament was called together, and on the 10th we were informed, for the first time, what were the contents of this contract. If it was necessary to keep the contract so secret from the people until Parliament should meet, I do not see why it is that since it was laid on the table of the House and made public, great pressure has been used by the Government to have the contract sanctioned immediately. We all remember what occurred in the other House; there was even a threat that if the contract was not sanctioned by Parliament before the holidays, there would be no adjournment at Christmas. It seemed then to be absolutely necessary to have the contract sanctioned by Parliament immediately. Fortunately for the country, the Opposition found means to let the people know what that contract contained, before it was sanctioned, and we are now, after two months' debate, still discussing this great question. I am one of those who believe that a question of such moment to the country should have been submitted to the people before being ratified. It is true they are represented in the Legislature, but they have never been properly informed of the magnitude of this undertaking and the enormous sacrifices that we are obliged to make under this contract. It was said in the other House — and I do not think I am saying anything unparliamentary in referring to it — that, however, intelligent the people were, they were not competent to judge of the importance of this matter. I beg to differ from the hon. gentleman who made that statement; I believe the people are the best judges of their own interest, and I venture to say, if they had been consulted in this matter the contract would not have been given as it is now. However, the time is not far distant when the electors will be consulted on that contract, and hon. members will know then what is the opinion of the people. It is true, it will then be too late — the contract will have been signed and the work will have been commenced, but perhaps, it will not be too late for the people to punish those who have over-stepped their authority. It has been said, in many instances, "what would have been the use of consulting the people, the subject has been before Parliament since 1872, and the people know that the work has to be done?" I admit all this, but there have been so many schemes for carrying out that project that I really do not believe they know in what position it is at present. I shall refer to the Allan contract as an example. That contract was awarded on a subsidy of $30,000,000 in cash and 50,000,000 acres of land; now we are called upon to sanction a contract by which we give $25,000,000 in cash, and 25,000,000 acres of land. Comparisons have been made to induce hon. members to believe that the latter project is far superior to the Allan contract. I will admit that by the last contract the Government give $5,000,000 less cash, and 25,000,000 acres less of land than in the first contract; but we must consider the different circumstances in which the country stands to-day from what it did in 1872. In 1872 the lands were of little or no value. I believe $1 an acre was the general estimate placed upon them — and on that basis $30,000,000 in cash and 50,000,000 acres of land represented $80,000,000 as a bonus for the construction of this road. We are now giving $25,000,000 in cash, and we must all admit that the land represents something more to-day than it did in 1872. At that time the country was not opened up, but since, surveys have been made and railway connection has been established; and if we take the valuation placed upon our lands by the Minister of the Interior to-day, and the Minister of Railways last year, it will average $3 an acre. Therefore, $25,000,000 in cash and 25,000,000 acres of land, valued at $3 an acre, represent $100,000,000 in value. It must not be forgotten that we give something more than that, however, in this contract, and I quote the figures submitted by the Government. We give $28,000,000 worth of railways partly completed and partly now in course of construction, and for which the country is liable. This would make $128,000,000. We also contract that the $3,000,000 expended on surveys should be added, as the Company will get the benefit of it. The hon. gentleman from Londonderry stated yesterday that we ought not to mention the surveys, because there were so many blunders made in them that the expense was increased, and the Syndicate should not be debited with that amount, as it was due to the blunders of the late Administration. I contend, however, that this charge is uncalled for; if there was any change in the surveys it was made through the Government engineers, and they are the same engineers who were employed by their predecessors; and it was through the advice of those engineers that the Government concluded to locate the line north of Lake Manitoba. It is no doubt true that, after having made further surveys, and the nature of the country having been ascertained, the Government and the people came to the conclusion that it was better to locate the road south of Lake Manitoba. But, taking the opinion of the present Minister of Railways, we must admit that all the surveys that have been made, have been of benefit to the country, and have greatly facilitated the opening up of the North-West. I will refer to the remarks of the Minister of Railways himself, as reported in the House of Commons Debates for 1879, page 1889:—

> "The surveys which have been made, though attended with a large amount of expenditure, are cheap compared with that which has really been accomplished; inasmuch as we can only hope for the successful accomplishment of this great work by showing to the world the value and character of that country. I hold that the explorations that have been made and the increased knowledge we possess of its resources, place us in a position to appeal to capitalists much more confidently and successfully for this great work, than otherwise would be the case."

This proves that although the surveys did not accomplish all that was intended at the time, they served to make the country known to capitalists from the other side of the Atlantic. With this $3,000,000 added to the $128,000,000 it will make the total cost of the railway $131,000,000. This does not agree with the estimate submitted by many hon. gentlemen. However, taking the lowest calculation it will be admitted by all that the total cost of the work to the Syndicate will be $48,000,000 according to Mr. Fleming's estimate, as follows:—

Jaspar House to Kamloops	$15,500,000
Red River to Jaspar House	13,000,000
Lake Nipissing to Fort William (as estimated by the Minister of Railways)	19,500,000
Total	$48,000,000

This is the total amount the road will cost the Syndicate. Of this amount the country will pay $25,000,000 in cash; we hand over the whole road when it is completed and 25,000,000 acres of lands. I think it will be admitted by every hon. gentleman that all the lands situated in the immediate vicinity of the line of railway will be readily sold for much more than three dollars per acre, and we can fairly average the whole 25,000,000 acres at three dollars per acre. This would give as the value of the land grant $75,000,000, so that for their expenditure of $48,000,000, the Syndicate will receive $25,000,000 in cash, and land to the value of $75,000,000, leaving a balance of profit by this simple calculation of $52,000,000. It is said that an exaggerated value has been placed on these lands, but hon. gentlemen must admit that in many places the lands will have acquired a very much higher value than has been estimated, once the railway is completed and opened up for traffic. I think that this calculation is a very simple one, and it proves more than any other, the enormous profit that will accrue to the Syndicate from this contract.

Hon. Mr. TRUDEL — What about the equipment of the road?

Hon. Mr. PELLETIER — The equipment is included in the $48,000,000.

Hon. Mr. TRUDEL — It is a mistake.

Hon. Mr. PELLETIER — It is not a mistake. These are not the only advantages which the Syndicate has over the Allan contract, but I will not discuss the others, as other hon. gentlemen have referred already to these great and important concessions made to them by the Government. For this reason I will not refer to the transfer to the Syndicate of 5,000 tons of steel rails under the market price, on which they will save a large amount of money, the exemption from duty of materials imported for the construction of the road, exemption from taxation and the privilege of regulating their own tolls. It is true that the Government have announced in this House and in another place, that provision will be made in the general Railway Act against extortionate tolls, but it is a dangerous thing to leave it in the power of a railway monopoly to regulate their own tariff. I now come to the monopoly which the Syndicate will have in the North-West. The supporters of this measure make light of this monopoly, and fail to see any, but I believe they also fail to see many other objectionable features in the contract. We in the Province of Quebec know what monopoly is. We had to contend for years with the old seigniorial rights, and it was only by most persevering efforts that they were abolished. Other provinces have also had their little experience of land monopolies; in every case they have been found to be an obstruction to colonization, and a burden to the people. But all the monopolies we have hitherto had will sink into insignificance when compared with the monopoly that we are by this Act seeking to establish in the North-West; they are nothing compared with the monopoly which the Syndicate will have of all the approaches to the Canadian North-West. An hon. member in referring to this matter last evening said he was astonished that such an objection should be taken to this contract, as there were other means of reaching the North-West. I do not know how that hon. gentleman construes that clause of the Act, but to my mind it gives to the Syndicate the exclusive control of all the approaches to that country, and no other railway can be built, except by the Syndicate, to accommodate the traffic of the North-West. For twenty years they retain this gigantic monopoly. We are told, it is true, that the men who compose this Syndicate are men of such patriotism and integrity that they will take care not to deprive the settlers of their rights. No doubt the Syndicate are men of unimpeachable character, but there is no guarantee that within two months after they receive their charter this contract will not pass into the hands of strangers. It was said by an hon. member during this debate that if it did pass into the hands of American capitalists it would be a benefit to the country, as it would induce immigration into this country from the United States. I fail to see the force of that argument. The Americans have an immense territory of their own to settle, and it is but natural to expect that they will settle their own country first, and if they get possession of our road it will be purely for their own benefit. If this contract is carried out we will have the road built, but the result will be to add to the wealth of a few millionaires at the expense of the present and future residents of the North-West. It has been urged that it was useless to call for public tenders for this work, as tenders were called for in 1878 by Mr. Mackenzie's Government, and no offers were received for the work; but the reason why no tenders were made at that time was that the conditions of the contract were not so advantageous, and the country was not as well known at that time as at present. Since then there has been a wonderful change in the condition of affairs, but I am satisfied that had it been known even then that all the concessions the Government are now making would be granted to any company who would undertake this work there would have been many offers for the contract. But we have been told by the hon. gentleman from Londonderry the reason why Mr. Mackenzie received no offer for this work was that the people had no confidence in the men behind it. I suppose he meant by that the Administration of the day. Well, since 1878 another ministry possessing the confidence of the country have occupied the treasury benches, and how many offers have they received? Did the present Government publicly call for tenders and ask capitalists to offer for the work? Not at all. Even during their recent negotiation in England, no efforts were made to offer the work to public competition. It was stated in the Commons that one other offer besides the one before us was received, but the Government refuse to disclose the details of that offer, and even the contents of the present contract were withheld from the public until it was submitted to Parliament. Although it is provided in this contract that it shall be subject to the approval of Parliament the Government declare that it must be carried out in its entirety or they must resign. This the Opposition deny, and I am sure they would be prepared to pledge themselves not to take advantage of any concessions that the Government might make. My hon. friend from Londonderry has made use of the argument — I do not characterize his remarks as nonsense, as he does our arguments — that if we abandon for a time the line north of Lake Superior and make the connection by Sault Ste Marie, that it would divert the stream of immigration to the Western States instead of to our own North-West. I do not look upon this argument as having any force. Supposing that line north of Lake Superior is built, we will remain in the same position as we are now for ten long years more. If the Sault Ste. Marie Branch was built, before the end of three years we would have the benefit of the traffic of the States of Dakota, Minnesota, Michigan and Wisconsin coming to us and passing over the Pacific Railway to Montreal and Quebec down the St. Lawrence, and as to the immigration, the company interested in the early settlement of the North-West would secure agencies in Quebec and Montreal to look after the emigrants on their arrival and provide them with tickets straight through to where they want to settle. It has been said in the other House and other places that it was unpatriotic for a representative of the Province of Quebec to advocate the construction of the Sault line. As a representative of Quebec, I do not see the lack of patriotism. I have the interest of my Province as much at heart as anyone of those who call themselves great patriots, and it is with that interest in view I favor the construction of the Sault Ste Marie Branch.

Hon. Mr. TRUDEL — Will the hon. gentleman tell me how the construction of the line north of Lake Superior will prevent the building of the Sault Ste. Marie branch?

Hon. Mr. PELLETIER — I will come to that presently. We only ask for a pause in the construction of the all rail route; we do not ask to abandon entirely the programme of the Government; we do not want the line north of Lake Superior to be abandoned for ever. The only argument advanced in favor of the immediate construction of that line is to have a national and military road. I admit that when the country has the means to accomplish it everyone will be pleased to have a through line of our own, but the advantage of the Sault connection would be that in three years from now we would secure a very large share of the traffic of the North-West; we would have to wait ten years for through communication by our own line north of Lake Superior. When it was stated by the hon. leader of the House at the commencement of this debate that it was ridiculous to suppose that the Syndicate would be interested in sending traffic by St. Paul to Chicago and New York, he quoted from a St. Paul paper to show that it was more in the interest of the Syndicate to favor the Sault Ste. Marie route. I will not take up the time of the House in reading that paper, every hon. member has heard it already. It is generally and confidently believed by gentlemen who have given attention to the subject that the traffic of Minnesota and Dakota would come to us and pass through Sault Ste. Marie to Montreal and down the St. Lawrence. The hon. member for Lunenburg admitted that commercially the building of that road would be a necessity. Why, then, not have it immediately? Why lose seven years of traffic with American States? No imminent danger of war forces us to have a military road, as is advocated by some hon. members. As for the satisfaction of having a national road of our own we had better not be so proud; we can wait a little longer for that.

Hon. Mr. TRUDEL — My question was this: How can the building of the present road prevent the construction of the Sault Ste. Marie Branch?

Hon. Mr. PELLETIER — There is certainly nothing to prevent the construction of the Sault Ste. Marie Branch in the same time as the line north of Lake Superior. But the objection we have now is to the expenditure of $19,000,000 to construct the line north of Lake Superior, when we could in three years secure all the advantages of this western traffic by constructing the short line to the Sault. I do not see why the construction of both lines should not go on at the same time, as we have to proceed only as rapidly as the circumstances and means of the country will permit.

Hon. Mr. VIDAL — Have you any guarantee that the road west of Sault Ste. Marie will be constructed?

Hon. Mr. PELLETIER — There is a proposition before the House, made by a company, to have the road built as far as Sault Ste. Marie.

Hon. Mr. VIDAL — I refer to that road west of Sault Ste. Marie, west through American territory.

Hon. Mr. PELLETIER — Certainly, we have that guarantee. The Sault Ste. Marie Branch is 290 miles, and the Company I mentioned proposes to build this line with a subsidy of $4,000 per mile, and an additional subsidy of 8,000 acres of land per mile, equal to $1,600,000 in money, and a total subsidy in money and lands of $3,920,000, instead of $19,500,000 required for the line north of Lake Superior.

Hon. Mr. SMITH — Will you vote for the contract if we guarantee to give that subsidy?

Hon. Mr. PELLETIER — The hon. gentleman is asking too much, as there are some other objections which prevent me from voting for the contract. I do not see that I should detain the House any longer, the question has been so fully discussed on both sides; and as the House is anxious to close the debate, I only beg to add, in concluding my remarks, that I feel it my duty to second and vote for the motion of the hon. ex-Secretary of State.

Hon. Mr. DEBOUCHERVILLE — Hon. gentlemen, I do not intend to ask your attention for a very long time. I have only a few remarks to made on the reproaches which have been brought against the Government, and the objections taken by hon. gentlemen of the Opposition against the measure now before us. The Government has been found fault with for not having placed before the people the details of this contract which we are now considering. I must for my part declare that I differ entirely from the hon. gentlemen who have blamed the Government for not having brought the measure before the people before they had taken Parliament into their confidence. I have studied to little advantage the principles of the British constitution if this theory is according to its spirit. I think the Ministry are only responsible to Parliament, and for my own part, far from blaming them for not having brought this measure before the people, I would have been ready to blame them if they had done so before submitting it to Parliament. The Government have also been reproached with inconsistency, because after having decided to build the road themselves, and after having asked from Parliament the right to do so with lands and money, they changed their policy and came to the conclusion to give the work to a company as they did by this contract. Now, it seems to me that the Government has not been inconsistent in this course. Perhaps the hon. gentlemen who are themselves conscious of having so frequently changed their policy might have thought they had a good occasion of bringing this accusation against their opponents. But let us consider the situation. When this Ministry came into power they had either to construct this road themselves, or to ask tenders for company to construct it as they had done in 1872 — I say they, because it is practically the same Government in its members and its leader as the Government of 1872. It is clear that under these circumstances their policy was to have this road built by a company. The Government that had preceded them had also declared in favor of having the road built by a company. When those gentlemen came into power they had either to construct the road themselves or to call for tenders, and offer better terms to capitalists for its construction than any conditions offered by the Mackenzie Ministry, although that Ministry had offered 54,000,000 acres of land and $27,000,000. The Government, seeing the indifference with which these offers had been treated by capitalists, and not wishing, as their actual policy shows, to give better terms, the only alternative they had was to construct the road as a Government work. They knew that if they were the guardians of the purse of the country they were also the guardians of its honor, and that honor was pledged in a solemn treaty with British Columbia to the construction of this road. They, therefore, felt themselves obliged to adopt the policy of last year. Since then capitalists have come forward, and have offered to build this road on better terms than those contained in the Act of 1874. The Government accepted those conditions. Let us now see if in doing so they exercised that economy which they should always practice in the administration of public affairs. Let us look at the report of Mr. Fleming, of 1879, and at the instructions given by the hon. Minister of Public Works, Sir Charles Tupper, on the 15th February, 1880. In these instructions Sir Charles says :—" The policy of the Government is to construct a cheap railway following, or rather in advance, of settlement, with any workable gradients (that is to say, not making the gradients as easy as Mr. Fleming had recommended in his former report) that can be, incurring no expenditure beyond that absolutely necessary to affect the colonization of the country." Mr. Fleming, in accordance with those instructions, made a new report, estimating the cost at about $80,000,000; but in this report it is intended that the line shall be partly ballasted to render it available for colonization purposes, full ballasting being deferred until the traffic demands a high rate of speed, full equipment to be postponed, etc., in fact a cheap line according to the policy of the Government. Now, we have seen that this road was to be completed as a very cheap road — what we call in the Province of Quebec a colonization road — such a road as connects with the North Shore road at Three Rivers, and known as the " Piles Road." I have not the precise figures with me, but I am sure I am not very far wrong when I say that the road from Three Rivers to Piles on the St. Maurice, did not cost more than half what the North Shore road cost per mile — I think it was about $14,000.

It being six o'clock, the Speaker left the chair.

After Recess.

Hon. Mr. DeBOUCHERVILLE — At six o'clock I had shown, according to the report of Mr. Fleming, that the road which the Government was to construct for $80,000,000, was a second class road, half ballasted, and with hardly any rolling stock. More than that, Mr. Fleming adds at the end of his letter to Sir Charles Tupper :—" That the cost will increase if great prudence and judgment are not exercised as well as the strictest economy " — and recommends that " a liberal percentage be added." Now, the hon. the ex-Secretary of State, and I think the hon. member who spoke last, calculated the expenses of the road which this Syndicate is to build upon this very report. If this basis is not a correct one, their calculations will fall to the ground. If I can show that those calculations are not to be applied to the road which is to be constructed by the Syndicate, I do not think that anybody can controvert the assertion these calculations cannot stand. If you take the contract as laid before us, what has the Government taken as its standard for the construction of this new road? It is the Union Pacific as at first constructed which is to serve as the standard. Now, some dispute has arisen about this phrase " as first constructed : " it seems to me a road is not constructed when it is only half finished, and the meaning is that the road was constructed when it received from the United States the bonuses in lands and money to which it was entitled. Take the Statutes at large of the United States for the year 1862, at chap. 120, sec. 4, and you will see what sort of road this Union Pacific Railway is :—

> " And be it further enacted, that whenever the said company (Union Pacific) shall have completed forty consecutive miles of any portion of said railway and telegraph line, ready for the service contemplated by this Act, and supplied with all the necessary drains, culverts, viaducts, crossings, sidings, bridges, turnouts, watering places, depots, equipments, furniture and all other appurtenances of a first-class railroad, the President, etc."

Therefore, if the hon. gentlemen who desire to vote against this Bill, and who wish the Government to continue this road desire anything they desire that we should have a second-class road, whilst the

Government is offering us by this Bill a first-class road. As I had the honor of explaining before six o'clock, it is not the absolute rule; but still contractors are generally aware of what work they have to do. In building the North Shore road, Mr. McGreevy charged about one half for building the Piles branch. Let us put it at 25 per cent.; we can see the difference in the cost of the road as it will be built by the Syndicate, and the road which we would have had if the Government constructed it. Another objection, which has been answered already, is this: that the Government has not taken care that this company should have drawbridges on the rivers, or bridges high enough not to obstruct navigation. The General Consolidated Railway Act — and gentlemen who have read this Bill before us will notice that this clause which I am about to refer to is not excepted, and therefore applies to this Bill — provides, in clause 67, as follows:—

> "CLAUSE 67.—If the railway be carried across any navigable river or canal, the company shall leave openings between the abutments or piers of their bridge or viaduct over the same, and shall make the same of such clear height above the surface of the water, or shall construct such drawbridge or swing-bridge over the channel of the river, or over the whole width of the canal, and shall be subject to such regulations as to the opening of such swing bridge or drawbridge as the Governor-in-Council from time to time makes."

I think it was the hon. gentleman from Prince Edward Island (Mr. Haythorne) who made this objection, and this clause ought to satisfy him. I believe the ex-Secretary of State said that this road can be constructed at a much lower price now than if it had been built by the Company some years ago, because of business looking up all over the country. Now, it seems to me it is quite the contrary. If we are prosperous; if our working-men find employment, wages will necessarily increase, and therefore, these gentlemen who undertake the construction of this road will have to pay much more if the proportion of labor to material is large. Take the steel rails, and other articles which are admitted free of duty altogether. If I take the estimate of the hon. member (Mr. Scott) the rails are worth $10,000,000; the other articles would not be more than a couple of millions of dollars. Let us say $20,000,000 for the whole; all the rest, the brain work and hand work, will be so much money gained by the labor of this country — probably more than $100,000,000. Labor has already risen in Ottawa 20 per cent.; men are paid 20 per cent. more in the shanties this year than they were last year, and probably next year they will be paid even higher wages. In the Province of Quebec, during the construction of the Q. M. O. & O. Railway, we had a large population and we could get labor cheap. Men were paid as low as four shillings during the progress of the work on the railway there. In British Columbia I believe the general price is $2; that is, certainly, a very advantageous thing to this country. I do not think it necessary to return to the question of the value of our land in the North-West. The hon. gentleman who spoke before me said "put these lands at $3." Well, if they are worth $3 to the Syndicate our lands ought to be worth as much to us, and in that case we should have enough to pay the whole cost of the road. After all, we are committed to the expenditure of only $25,000,000 cash, and say $30,000,000 upon the road that we hand over to the Syndicate. Add $3,500,000 for surveys, although they were made not merely for the purpose of locating the road, but also for explorations of the North-West, and therefore ought not to be charged exclusively to the railway — however, add the entire sum, and we have more than sufficient money to pay the whole cost of the railroad by the sale of 25,000,000 acres of land. I listened, last night, with the greatest pleasure and attention, to the clear and forcible speech of the hon. the Minister of Inland Revenue; but I differ from him on one point. I do not think it will take such a long time to get a large population into the North-West. I believe it will soon come, and supposing the lands were worth $10 to the Syndicate, ours will be worth an equal price, and the Dominion, and consequently we, will be all the richer. I do not see how people can be dissatisfied because the value of these lands will be increased, and because the increase will prove advantageous to the Syndicate. Suppose each shareholder of this Company were to subscribe enough to become a director, it would require 1,000 shareholders to take up the stock. It is true some will subscribe more than enough to be directors, but many more will subscribe less than enough. If they were to make large fortunes, I do not think we should suffer by having 100 millionaires interested in the welfare of this country. I come now to the question of monopoly. I am not afraid of that sort of monopoly; on the contrary, I think it will prove advantageous to the country. What will it amount to? In reality it will only be for ten years. Until the Canadian Pacific Railway is constructed nobody can imagine that another competing road will be built through our own territory. Therefore, this monopoly is only for ten years in reality; but take the period mentioned in this Bill, twenty years, under any circumstances there will not be a monopoly for the through trade from Japan and China to the Atlantic ports. There are other competing roads, the Union Pacific and Northern Pacific, and therefore, for that trade we can feel satisfied that the Company will not charge such high rates as to divert it to other channels. It is contended that they will impose high rates to prevent the transportation of wheat, because they will have no competitors in the North-West. I say they will have competition if the trade there calls for it. As the hon. the leader of the Government said during this debate, there is nothing to prevent the granting of charters to companies to the north of that line; while to the south Parliament can grant charters to railroads running in a southwesterly direction, and that is just the direction we require to carry the traffic of that country through the Dominion. In reference to this question the ex-Secretary of State said:—"But you must also keep to the north of the Canadian Pacific Railway." I admit that there will be some difficulty in keeping to the north of that line; but when it reaches the Province of Ontario the Legislature of that Province can give a charter for crossing the Pacific Railway and terminating on Lake Superior. Nothing can prevent it, and therefore the people of the North-West — if their trade renders it necessary — can have a road to bring them to the navigation of Lake Superior, and from there they can go down to the seaboard. The monopoly is that the freight will have to go through our own territory. Goods which will be required for the North-West will have to go through Canada. Is there anybody in this House (I do not think there is any in the country) who would be willing that this trade should be diverted from our own country and sent through the United States? That is one of the monopolies which, after all, is for the protection of Canada. There is no question we all hope that our country will soon attain the greatness to which it is evidently predestined. This greatness means large cities on the Atlantic coast and large empire cities on the Pacific coast. Now, our neighbors in the United States, who, after all, are not very far from the western terminus of our road — not more than twenty or thirty miles between Burrard Inlet and the boundary line — have the start of us. They have the advantage of a large population on the Pacific coast; they have companies of steamships trading to China and Japan; while we have not yet those advantages; we have no large cities there; and if we were to allow a branch road to be built from the Pacific Railway to the American boundary, and from that point it were continued down to some of their magnificent harbors, which is but a short distance — we might, after all our trouble and expense, find that we had constructed a road to build up a great city in the United States. And we should find ourselves in a rather ridiculous position; therefore this monopoly of the Pacific coast is what we should desire; a monopoly which is only one against the United States and not against Canada will be for our own benefit. There are, perhaps, a few features of this charter which might be found fault with; we are going to build 800 miles of railway in the Province of Ontario, 600 miles north of Lake Superior, and 200 miles of the Canada Central, but we of the eastern provinces are not jealous; take our share of the money to build that road, we do not object. You want the Sault Ste. Marie road. Well, we have no objection to your taking the money to build it. Canalize the Ottawa, for my part, I will have nothing to say against it. Although this road will not belong to us after it is completed, yet under the provisions of the Consolidated Railway Act, there are many advantages which will accrue from it to the Dominion. The Company will be obliged to transport Her Majesty's mails and naval and military forces and munitions of war, etc., on such terms and conditions as the Governor in Council may make; and the Government may have the exclusive use of the telegraph, if required. Moreover, the Company will be subject to such further enactments as the Parliament of Canada may hereafter make. These are great advantages, and in addition to this we shall have in this North-West country, where we have such an immense quantity of land to settle, the most powerful emigration agency that could be established; one far superior to that which the Government can establish, although it has cost a very large sum. An appeal has been made to the patriotism and independence of the supporters of the Government in this House. Could we not reverse the appeal and tell these hon. gentlemen, "pause before you vote; do not put yourselves under the painful necessity of acknowledging to your children one day that you tried, — although uselessly,—to retard the destinies of Canada."

Hon. Mr. McCLELAN — I have listened with great attention to the speech just concluded by the hon. gentleman opposite. With some of his views I feel that I can hardly agree. He remarked that this highway, if built by the Syndicate, would be an excellent road, but if built by the Government would be a very inferior one. Though not specially favorable to Government construction of public works, I believe the standard which has been adopted for this railway is very inferior indeed, and greatly more so than that applied to government railways. The hon. gentleman, also in his opening remarks made the observation that if the Government had proposed to submit this offer to the people of Canada he would feel compelled to vote against that proposition ——

Hon. Mr. DeBoucherville.

Hon. Mr. DEBOUCHERVILLE — I said that the Government had been found fault with for not having put the details of this measure before the people, and that, far from blaming the Government for this, I would have blamed them if they had published the details to the country before submitting them to Parliament.

Hon. Mr. McCLELAN — I understood the hon. gentleman to say something like what he now explains — that he would not approve of submitting the details of this measure to the people before the meeting of Parliament. I think that doctrine is scarcely consonant with the appeal which he made in concluding his speech — that we should so record our speeches and votes in this Chamber that we should not be ashamed of them in the future. If ever there was a question on which the popular feeling should be in some way tested, I think it is this, which so largely involves the future welfare of the Dominion. I think so all the more because it was not a question which was uppermost at the last general election. It has been reiterated here again and again that the appeal on that occasion was on the subject of our trade policy, and the expression of the people was mainly indicative of their feeling on that great question. If that be so (and I am quoting the opinions expressed by hon. gentlemen opposite) this railway question could not have been one on which they expressed any opinion or gave any decision. Therefore, if ever a question was presented to Parliament without an opportunity of testing the popular sentiment upon it, that question is this, one, which involves such tremendous interests for all future time, and which cannot again be affected by popular action. The hon. Senator from Amherst (Mr. Dickey), in his speech this afternoon, made the striking observation that the objection that this Company would have a monopoly of the traffic could not be sustained because on the northern side of the line this Syndicate would not get the whole country — that they were not to be told, I suppose, like the patriarchs of old, to look northward, southward, eastward and westward — this whole land should be theirs and their assigns for ever. The hon. gentleman spoke of a rival line on the north shore of Lake Superior, and the hon. gentleman who has just taken his seat, and who spoke so well on this subject, has also alluded to facilities for providing a rival line. They seem to forget their other expressions that it requires a very large subsidy to build a line through that part of the country at all. That has been their argument; how, then, could there be competition? Did hon. gentlemen think that the Government of this country, in their beneficence, will, after building this great highway, contribute, within the next century, to the building of a competing route! If not, then how can we have a competing line on the north shore of Lake Superior or, as another hon. gentleman put it, by a divergence to Ontario? I think that the idea of a rival line competing with this monopoly cannot for a moment impress itself on our minds. But we are reminded that there are already south of our frontier competing lines for the traffic of China and Japan, and that tolls will be regulated very much by those rival roads. Hon. gentlemen who speak in that way are attempting to rebut an argument that has not been dwelt on in this Chamber. The danger is that this Company may impose high rates on local traffic and retard the growth and progress of that country, the rapid settlement of which we should endeavor to facilitate by every proper means. The Government can afford these settlers very little protection because, if I understand the powers given to the Syndicate, the Company will largely control the Government, and not the Government the Syndicate, and the same evils as exist and which afflict the settlers upon the prairies of the Western States will afflict these immigrants — these friends and countrymen of my hon. friend from Toronto (Mr. Smith) whom he hopes to get in there, and tax to the extent of 30 per cent. for everything they require to purchase. They will find after leaving free Britain, where the necessaries of life are untaxed, crossing the wide ocean, and travelling through the Dominion to the North-West, paying when they get there 30 per cent. on what they consume, and then handed over to the tender mercies of this soulless corporation, that their lot will be a hard one, and I shall commiserate the friends of the hon. gentleman when they are afflicted by the exactions of this monopoly. To show the inconsistency of the hon. gentlemen who support this measure, and the difficulty they experience in finding statements to gild their sophistries, they tell us of their hopes of rival lines in the future, and then that this great railway cannot possibly pay expenses for many years, and that it is necessary, therefore, to grant the Syndicate these advantages and immunities. Hon. gentleman must certainly see the contradictory character of these arguments which show the weakness of their case. They say that it is a great relief to the country to know that this matter is settled and the responsibility of the undertaking assumed by a company. I have not so understood the bargain which has been presented for our acceptance. I am rather inclined to think that the Government will have to keep up the same expensive staff, including also the Commission of Inquiry appointed by themselves to judge their own conduct. If the hon. gentlemen are right in taking this line of argument, then the whole road should have been handed over to the Company. This hybrid policy can hardly suit their fancy. If they were not adepts and experienced politicians and well skilled in parliamentary warfare I should be inclined to exclaim of them:

> "O, what a tangled web we weave
> When first we practice to deceive."

This is a question of such importance that perhaps it would scarcely be thought that I was doing my duty, though not exactly physically in a condition to make many observations, if I did not give a few of my reasons for opposing this Bill. Reverting to the original basis of all the trouble through which we have come, the union with British Columbia, I remember well many of the expressions used by hon. gentlemen in this Chamber when that measure was before us in 1871. For myself, I voted against it, not that I was wanting in harmony with the sentiment of union, or the ultimate connection by rail, but I objected to that measure because it involved an impossibility — the construction of a transcontinental railway within a limited period. I felt that the attempt to carry out that agreement would lead to a great deal of difficulty in this country, and possibly a great deal of embarrassment to several successive governments. I think the views which were entertained by those with whom I co-operated on that occasion have been tolerably well realized, and if I were to recall the prophecies of those who supported that measure I think it would be admitted that they have not been fulfilled to the letter. I remember one hon. gentleman predicting that in ten years from that date the population of the Dominion would be at least 7,000,000. The census of 1881 has not been taken yet, but no one is so sanguine as to suppose that there has been any such increase. I remember a very highly respected Senator, subsequently one of the Quebec judges and now no more, objected to that arrangement at the time, on the ground that the disproportionate representation given to British Columbia was unfair to the older provinces, whose representation in the House of Commons was based upon their actual population. This was replied to, if I remember rightly, by the hon. gentleman who so ably leads the Government in this House, that all this would cure itself — that in ten years there would be people enough in British Columbia to justify that large representation. That prophecy also has not been fulfilled. There has been nothing to indicate anything like a reasonable fulfilment of those prophecies. I notice all through this discussion, not only here, but in another place, that when hon. gentlemen have a weak case which they cannot present fairly and squarely for the acceptance of the people of Canada, they will either adopt the legal aphorism, "no case, abuse the other side," or they will take upon themselves the mantle of prophecy and tell us that something is going to arise that will justify all their measures and redeem them in the minds of the people. These prophets were evidently inspired from a wrong source, and it is sometimes well to revert back to some of those predictions and call attention to the fact that they have not been verified in any shape or form, and show how unwise it is to base arguments upon such visionary calculations as to the future. As I said before, I was not opposed to the union with British Columbia. I have a very keen appreciation — nobody could have anything else — of the delightful and salubrious climate of the Pacific coast, after hearing the eloquent speech of the hon. Senator from Ashcroft. I have always felt there was a country there with which we should not object to be united on fair terms. With its pleasant climate it also possesses plenty of coal, a good deal of pastoral land, and, as the hon. gentleman told us the other day, there are fur-bearing animals in the mountains that are going to add very much to the traffic of the Canadian Pacific Railway, but, somehow or other, that Province fails to attract settlers. And, could that question of union with all its contingencies be again submitted to us for our ratification, few of us would be inclined to put our hands to such an obligation as that was. The next measure which came before us, and of which a good deal has been said, was the Esquimalt and Nanaimo Railway Bill. It was found impracticable to go on with the through line without increasing taxation; and when that question of building the railway within a certain time was first discussed in this House and some hon. gentlemen objected to the impropriety of it as likely to entail a good deal of taxation upon the people of this country, we were told repeatedly that a certain resolution had passed which was like a codicil to a will, — which affected and controlled all action under the statute. This resolution of the people's House, re-affirmed there on several occasions, provided that the Pacific Railway should not be constructed more rapidly than the resources of the country justified, and above all things — the general taxation of the people would not be increased by it in any way. The people were told by ministers of the Crown that this resolution changed the whole force of the Act of Union, and left it completely in the hands of Parliament, and completely in the hands of the taxpayers of the Dominion to regulate. That one was passed contemporaneously with the other, and I believe it has been approved by the several Parliaments that no further progress should be made with this work than would be consistent with the present rate of taxation — or, in other words, that "the taxation of the country should not be increased. As a consequence, shortly afterwards, a great deal of bad feeling arose in that western Province because of the delay in proceeding with this undertaking, and that the people and the Government were putting, perhaps, more stress upon the resolution than they were upon the Statute. Hence the introduction of the Bill for the construction of the Nanaimo and Esquimalt Railway. That proposition was submitted to this Chamber. It had been forced upon the Mackenzie Administration as a compromise measure by the terms of the Arbitration — at all events, it was the award of Lord Carnarvon, and it was submitted to Parliament for ratification. I remember the discussion that took place in this House upon that measure; I remember that although the Vancouver Island measure had been the cherished offspring of the Conservative Government, and that in 1872 they had, in their Council Chamber, made a Minute of Council for the construction of that road, yet, when the Bill to authorize its construction, under the award of Lord Carnarvon, was submitted to Parliament, supported by all the strength and influence of the Ministry, the Conservative party who had initiated that scheme, rose up in this Chamber and defeated the measure. I was astonished at the remarks of my hon. friend from British Columbia (Mr. Cornwall) the other day when he charged the ex-Secretary of State (Mr. Scott) with having acted a traitorous part in stating his change of views, when he expressed no other opinion than Lord Dufferin had himself expressed during his mission to British Columbia — that the Senate were correct, and that it would have been impossible for any Government to have subsequently introduced and carried through Parliament a Bill for the construction of the Esquimalt and Nanaimo Railway — even as far as that measure had been carried. Private conversations of other hon. members with the late Governor General might, perhaps, be referred to on this subject, if it were consistent with parliamentary good taste to do so, but we find the late Governor General completely justifying the course taken by the late Government in this matter. In his celebrated and eloquent speech in Victoria he said:—

> "Well, I have learned with regret that there is a very widespread conviction in this community that Mr. Mackenzie had surreptitiously procured the defeat of his own measure in the Upper House. * * * * I tell you in the most emphatic terms, and I pledge my honor on the point, that Mr. Mackenzie was not guilty of any such base and deceitful conduct. Had I thought him guilty of it either he would have ceased to be Prime Minister, or I should have left the country. But the very contrary was the fact. While these events were passing, I was in constant personal communication with Mr. Mackenzie. * * * * When the bill had passed the Commons by a large majority with the assent of the leader of the Opposition, in common with every one else, concluded it was safe, and the adverse vote of the Senate took me as much by surprise, as it did you and the rest of the world. I saw Mr. Mackenzie the next day, and I have seldom seen a man more annoyed and disconcerted than he was; indeed, he was driven at that interview to protest with more warmth than he has ever used against the decision of the English Government which had refused on the opinion of the law officers of the Crown to allow him to add to the members of the Senate, after Prince Edward Island had entered Confederation. 'Had I been permitted,' he said to me, 'to have exercised my rights in that respect this would not have happened, but how can these mischances be prevented in a body, the majority of which, having been nominated by my political opponent, is naturally hostile to me," etc., etc., etc.

In another part of that speech we find these remarks:—

> "I believe the Pacific Railway has no better friend in Canada than Mr. Mackenzie, and that he was only opposed to the time terms in the bargain, because he believed them impossible of accomplishment, and that a conscientious endeavor to fulfil them would unnecessarily and ruinously increase the financial expenditure of the country, and in both these opinions Mr Mackenzie was undoubtedly right."

If the hon. gentleman had any complaint to make against the action of the Canadian Senate, I am sure he ought not to allow his censure to rest upon the hon. member from Ottawa, or upon the late Government. It is well known that the late Administration were not influential in this Chamber. It was one of the difficulties that beset the legislation of that Government. As far as I am myself concerned I had the privilege of voting against that measure, and I can assure my hon. friend that I was not prompted to do so in any way by the Government. On the other hand, I was urged by one or two members of the Government to support that measure, because they had gone into it under the Carnarvon terms, and it was desirable that it should pass. I could not, however, with my ideas of propriety and consistency support that Bill, showing that I had not taken a party view of the question, and I trust the present Government will not revive that absurd idea of an Esquimalt terminus, however much it might prevent a Russo-American invasion, which another hon. gentleman from British Columbia seems to dread. Now, as to the rate of progress which, in my opinion, would have been desirable after that Act of Union, and the resolutions as an instruction and agreement had passed, the rate of progress which it then became the duty of this country to proceed with became another question. We had to bow to the inevitable, and while I was of the opinion that it was not desirable to commit this country to such a stupendous work within so limited a period before we had the population and resources which would justify us in doing so, yet I was in the minority, and when Parliament said that it was desirable to go on with the construction of the Canadian Pacific Railway with a view to the carrying out of those terms, I saw the impossibility of the undertaking so far as keeping faith with British Columbia under the Act was concerned, and so far as we could do it within the resolution that had been contemporaneously passed. It has been conceded, I think, by public men on both sides that the eastern section of this road constituted no part of that undertaking. British Columbia had no particular interest, so long as the line was built through the Rocky Mountains, whether the line went north of Lake Superior or south of Lake Superior; that would be a matter of minor consideration. The main object which they desired to attain, I presume, was to have communication through the Rocky Mountains with the American and Canadian system of railways. Therefore, I do not think it was at all necessary for the keeping of good faith with British Columbia that this line in its entirety should be embraced in one general scheme. And looking at the fertility of the western prairies—if they are as rich as they are represented in this country and in the world; as they are represented in the Old Country by our High Commissioner, who said it would be his endeavor to so direct immigration, etc., as to make Canada a kind of "auxilliary kingdom"—instead of adopting a policy of obstruction it would be better to allow that prairie country to almost take care of itself. If that course were adopted in the North-West; if it was not interfered with by such a monopoly as this, it would necessarily develope into a great and prosperous country. I have no doubt that the soil is all it is represented to be, and now that its fertility and advantages have been advertised the world over it will be settled with great rapidity and covered by a network of railways, provided we do not interfere or obstruct by any act of our own. Already we see the growth of settlement; already we see applications to Parliament from people in the North-West for acts of incorporation for companies of different kinds, and the only thing to be done to develop that country is for the Government to subsidize a line in such a way as to preserve its directness and continuity, and it would eventually be carried through to the Pacific coast. In that way the line through the Rocky Mountains could be deferred for some years until the population required it. Of course the through line is one of the ultimate objects we would all like to see attained. The events of 1872 and 1874 have been thoroughly discussed by other hon. gentlemen, and I cannot throw much more light upon those points. Comparisons have been made between this offer and the offer of the Allan Company, and the offers made under the Mackenzie Administration. In my judgment no comparison can be drawn that will not be misleading to most of the people of this country. We know that five or six years make a great, a vast difference in the circumstances of any country, particularly in this new western hemisphere where everything is moving on with such a accelerated ratio of speed. We know than the art of railway building is being wonderfully improved and cheapened by modern inventive appliances, and the substitution of steam for manual labor. The hon. leader of the Senate, in opening this debate spoke of the cost of railways in the United States built under the old inflated greenback system years ago. He spoke also of the expense incurred in the construction of the Grand Trunk and other railways, where fortunes and high positions were secured by contractors. But there are railways being built now through countries much more difficult than the 900 miles west of Winnipeg at a very much lower rate than the average mentioned by the hon. gentleman. The employment of steam and other improved facilities in place of the old-fashioned pick and shovel have simplified construction work, and reduced the expense to a wonderful extent. When the Allan contract was entered into there was no railway communication with the North-West, and access for the transportation of material and labor was very difficult, so that hon. gentlemen who are at all acquainted with railway work will at once see what a difference it would make in the expense of constructing a road in that country at a time when there were none of the excellent facilities which exist to-day. Then, there is the increased value of the lands of that country in consequence of the amount of money that we have expended on it. Hundreds of thousands of dollars have been expended to extinguish the Indian title, to maintain Mounted Police, and promote settlement — altogether changing the aspect of affairs from what it was a few years ago and disturbing the accuracy of the comparisons instituted by hon. gentlemen who favor this Syndicate. Another disturbing element in those comparisons is the condition of the money markets of the world. Hon. gentlemen who are in the habit of studying the financial columns of the newspapers of the United States must be aware that in Wall street and other commercial centres there is now a vast superabundance of capital awaiting investments — profitable investments, of course — if they can be found. Money is abundant and can be obtained on easy terms. This is a condition of affairs that did not exist a few years ago. Things have all been changed — the whole character and condition of affairs — therefore, I say that the comparisons that have been instituted between the efforts that are being made to build this road now, and the efforts that were initiated a few years ago, are not, and cannot be at all accurate, and are necessarily misleading in many respects. Then, again, several gentlemen who have spoken on those different schemes and offers seemed to have forgotten that previous offers and schemes were for the construction of the whole line. They were not for the easier parts of the railway alone for which this hybrid arrangement provides we shall give $25,000,000 and 25,000,000 acres of land, and all those other advantages I have alluded to. The arguments of hon. gentlemen opposite would have very much more force when they undertake to tell us that it is vastly important that the Government should get rid of this work because governments are extravagant, and it has been t e experience of the past that their estimates are always incorrect, if this contract included the whole line. I have no doubt that there is a great deal of truth in those observations, and that the final estimate of the unfinished portions of the Pacific Railway which the Government are bound to complete, will be very much more than was originally estimated, when they are finished and handed over to this company ready for use. I do not know that it is necessary for me to refer in any degree to the manner of making the contract. It has been stated by my hon. friend, the Minister of Inland Revenue, in his very moderate, and in some respects, good speech of last evening, that there was a reasonable basis for tendering, and it was open for the gentlemen of the second Syndicate to have made an offer if they had thought proper to do so; and it was stated by him, and was stated by others, that the speech of the right hon. leader of the Governments at Bath, was of sufficient importance to excite the attention of capitalists, and induce them to tender if they were willing to undertake this work. I wonder if those hon. gentlemen who for five years were so critical of the acts of the late Government, and very properly struck committees, and used their time and talents to discover defective administration, and to obtain information that might be used, and was used in a distorted form in the election campaigns, would have accepted (when a question came up as to the letting of a public contract by tender) a speech of Mr. Mackenzie's at a party pic-nic — or a club dinner — as being a sufficient notification to contractors even for the most trifling public work! I remember well on one occasion of that kind, when hon. gentlemen who were acting presumably on behalf of the people in trying to discover some extravagance — some awful extravagance—that was committed by the late Administration, the objection was taken that the advertisements calling for tenders had not appeared in a sufficient number of newspapers to justify the contract; that, therefore, it was a waste of public money, and that, consequently some favoritism about it might be inferred. The notices had been published in the newspapers, still those hon. gentlemen were so sensitive about the public welfare —so anxious to protect the people's money, that even in this comparatively trifling transaction they found fault because a still greater publicity had not been given to it in order that men of capital in Canada should have the very fullest opportunity to come forward and tender. But all this seems to be changed, and a pic-nic speech at Bath, a speech to the Jacques Cartier club, or any little incidental expression of that kind, is now considered by hon. gentlemen opposite to be sufficient to justify the offering and the acceptance of a tender involving an an expenditure of millions of public money, and as taking away from the transaction that appearance of secresy in which many people feel that it has been enshrouded. This tender involves, not a matter of trifling importance, it involves $60,000,000 or its equivalent. My judgment may be very wrong, but I am not convinced by the arguments I have heard on this question from hon. gentlemen who are usually very clear and logical in their remarks. I have failed to be convinced that there was any proper basis given upon which the public could be apprised of the intentions of the Government. On the contrary, the country was rather led to believe that this work was to be a public work; that it was to be a work undertaken and controlled by the Government. A good deal has been said about the monopoly and the hon. gentleman from Quebec (I am sure he will excuse me for making reference to him so often, but it is because he spoke last, and his observations are more distinctly in my mind) or the hon. gentleman from Cumberland, said that objection was taken to this Syndicate because it was open to them to transfer their rights to an American Company; and one of these hon. gentlemen said, for his part, that he would be very glad if they would, as it would lead to the introduction of American capital into this country. There may be a difference of opinion as to that. There is a very great difference of opinion as to the amount of capital that may be required to be brought into the country by the Syndicate. I think that a great many intelligent people in this country will come to the conclusion that this Syndicate, to construct this great work under the terms and conditions that are provided for them, will not require to import very much capital into the country. Let hon. gentlemen consider for a moment the conditions on which this Company are to take the first hundred miles west of Winnipeg that are already built (except some four or five miles) and already equipped to a larger proportional extent than the whole line will require, and if I am not wrong in my conclusions they will find that this Syndicate is to get that road partially equipped and finished in a good style — better, I think, than the Union Pacific Railway was when it was first constructed — with all due deference to my hon. friend, who says that government railways are never well built, although he has the Intercolonial Railway before him as an example of a well built road constructed by the Government — they will get the best paying section freed from taxation handed over to them for nothing, and a bonus of one and a quarter millions of acres of choice land to induce them to accept and run it!! It is admitted on all sides that this is the best paying portion of the line, yet the Government kindly hand it over to them freed from taxation for all time to come, and give them a bonus of 1,250,000 acres of land to help them to go on with other works. Some hon. gentleman who preceded me in this debate spoke about railway monopolies, and said he was not afraid of them. We have not been much afflicted with monopolies in Canada. There are monopolies growing up around us now arising out of the ruinous and anti-British trade policy that has been adopted, but they are monopolies of a minor description compared with this. We have all read of the railway monopolies of the Western States. Many of us have had the advantage of listening to eminent American statesmen upon this point, and some of them have discussed the dangers which naturally threaten the great Republic which has risen so wonderfully on this western hemisphere. They feel that the acquisition or concentration of great wealth which sometimes is noticed in older countries governed by monarchical institutions is not likely to become a source of difficulty in the United States, because that wealth cannot accumulate from hereditary entail, or right of primogeniture which does not exist in the Republic, and wealth acquired through legitimate commerce will not become a danger to the State, because it is a matter of observation that in two or three generations that wealth becomes scattered and divided ; but among all the dangers which they count upon as likely to afflict that country they look upon railway corporations as the most serious, because they are bodies without souls — because they never die — because they have the power of concentration, the power of purchase and assignment, and they may go on and draw the whole under one control, and then have it in their power to make or unmake villages and towns. They have it in their power to carry freight at such rates as they think the country will bear, and keep the farmers and grain growers in poverty. That is the danger, but it is not the danger to the carrying trade alone that is to be feared, but it is the wonderful political power which they possess — a power which they exercise throughout all the ramifications of society and which they can bring to bear, if they choose to do so, even upon the Government of the country. And if that is an evil which American statesmen are wont to deplore in a country of such illimitable resources — a country with 50,000,000 of people — how much more likely is a monopoly, such as this is, to be an evil in this country with its population of some 4,250,000 and without anything like the resources that our neighbors possess! And, therefore, I think that the Government have acted unwisely in concentrating such power in the hands of this Syndicate of gentlemen, with whom, I may say, I am not acquainted personally, and of whom I would not say one word of disfavor ! I have no doubt the eulogiums passed on them are merited. I suppose they are men of wealth, and that they have acquired a good deal of that wealth in the country. They are probably all honorable men. Some hon. gentlemen said we are even under obligations to them for their magnanimity in coming forward to make this bargain. I am not disposed even to dissent from that. I am one of those who have the opinion that if these gentlemen had instructed their attorneys to put $10,000,000 more in the bond it would be put there, and all of us, therefore, may feel a degree of thankfulness to that Syndicate that they did not take more. Now, the selection of lands has been referred to, and I think the hon. Minister of Inland Revenue in his remarks stated that the Syndicate had no option in the selection of the lands, that they must take their lots as they come to them ; but if I read the bargain correctly there is a considerable proportion of lands which they may decline to take and select others instead. They have the control of the route of the railway between far distant points. This, when one comes to consider it in connection with their choice of lands and right of selection, is a privilege that is no mean consideration. In addition to the wheat growing lands they can also select mining lands, and will have very considerable control over the development of the resources of that country. Then, as I understand it, if the two ends should not pay, they may be finally abandoned. The Company can first build the prairie section, for which they have a larger proportionate subsidy than for the other sections. Why the Government fixed it that way it is hard to say, but I suppose it is because the Syndicate thought it was more in their interest that it should be so. If they build an inferior road sufficient for the ten years' limit, and it is found that those sections are not at all profitable they may abandon them. Then I object to the lack of any power on the part of the Government to regulate the manner in which the road should be managed. I suppose they thought the Syndicate would have considered such a suggestion presumptious, and so it was not offered. Now, with reference to the Sault line, the importance of taking emigrants to the North-West through our own territory is another branch of the question. The 650 miles north of Lake Superior, as I am informed, is without a human inhabitant. Some writer, who thinks that it would be as well, perhaps, to leave that section for the present, because it is not really needed for commercial purposes, suggests that the inhabitants in that country should build the road themselves. I would not go so far as that. If we had greater financial resources; if we were not increasing the taxes of the people; if we were not departing more and more from the well-understood basis on which the provinces entered this Union; if our debt *per capita* was not as large as that of our neighbors, I might be more willing to join in that cry of Canadian 'jingoism, or whatever it might be called, which impels us to go to the north pole in order to escape mingling in any way with our American cousins. Speaking of the Intercolonial Railway, we all know that a certain gentleman, a former member of the Conservative Cabinet — a gentlemen I have esteemed very much for his abilities ever since I came to this Canadian Parliament — a gentleman of considerable versitility of talent, as members on both sides will vouch for — once stated that the route selected for that road was equal to throwing $8,000,000 into the sea. But it was not only $8,000,000 that was lost to the country; there was something more. The shorter route would have provided greater facilities for establishing a winter port in Halifax. It would have enhanced one-third more our prospects of making St. John a winter shipping port. I have no doubt the Minister of Railways is anxious to make the Intercolonial Railway pay running expenses, but after all his efforts, and with the large amount of business and travel over it (including the Sunday traffic), there was a loss last year of nearly $100,000 in working the line. That being the case, and looking to the probability of the opening up of one, if not two shorter lines to the eastern seaboard, I conclude that the money which has actually been thrown away might be very safely put at thirty or forty millions. Well, now, if we have lost so much as that by constructing the Intercolonial Railway by a route which is non-commercial, and the advocacy of which was based very much upon its military usefulness, how many more millions does any gentleman suppose we will lose by building these 650 miles of road north of Lake Superior, where there are no settlements, and where none can possibly exist for many years to come? To show the straits to which hon. members in their zeal have been driven in their advocacy of this Syndicate, and to show the fears disturbing their minds that the people of Canada will take a view different from that which the majority in these two Houses of Parliament will take, we find an hon. gentleman holding out the prospect of a rebellion in Nova Scotia if the exemption of this company's lands from taxatian be not granted — that actually it would be so distasteful to the people of Nova Scotia that it would result in an uprising! The amount estimated by one hon. gentleman that the Syndicate will save from the exemption clauses is $20,000,000, and he argues very ingeniously, and I give him credit for a great deal of genius in sugar coating this pill, that if the Syndicate's property had been made subject to taxation, the Government of Canada would have to contribute that much more to the building of the road, and, therefore, these exemptions are a relief to Nova Scotia! I do not think I need discuss that argument very far. We are not here arguing in that line. We are here discussing whether we are giving this company too much power, lands and money, and at all events, too many privileges and immunities. It is not so much as to what the effect of requiring them to pay the taxes, will be, as to compare the offers of the two Syndicates, and that is a branch of the subject which I have not yet reached. While the second Syndicate are willing to build the road for $3,000,000 and 3,000,000 acres less, which may be estimated at $9,000,000 in money, they are willing also to relieve the Government and the country from many of the immunities and privileges contained in this contract. Therefore, I think it would be very difficult for any hon. gentleman to show the country that there is any saving effected by exempting the company's property from taxation. It is merely a boon to the company. Then, we hear a great deal from day to day as to loyalty to the British Crown, and one would think that the Conservative party, of this country holds, except in some remarkable epochs of the country's history, a monopoly of that virtue. But, when arguments are scarce, and when abuse of the other side becomes nauseous or tiresome, and prophecies fail to impress, this is a very fertile subject to dwell upon. Now, any hon. gentleman who has noted the current of events which have been taking place in all the older countries of the world, will discover that although the people have been born, cradled and brought up under the *regime* of the old feudal system, and are, therefore, more or less accustomed to it from their infancy, yet in Russia, Germany, France, and even in fair Erin herself there grows up among the poor people a feeling that the concentration of wealth, monopolies and power, is objectionable and harmful, and should not be tolerated. I am not prepared to say one word in favor of the many isms which are afflicting many governments of the world. Quite the contrary, I am only speaking of facts, and saying we may as well take a glance at the history of other countries in working out legislation for the people of the Dominion. Canadians are a free people. They enjoy equal rights, and while this dissatisfaction exists in other and older countries we have had no cause for dissatisfaction here; but if the afflictions which have brought about that state of things which I have enumerated, and which often culminate so disastrously, are to be visited upon this fair Canada of ours, it is uncertain how soon equal discontent may prevail within our borders, and the people will feel that the burdens which are being placed upon them are in violation of distinct pledges, and are greater than they can bear. "But, as to the land," says some hon. gentleman, "it is only a small patch comparatively," and maps and diagrams are displayed. It is greater than all the cultivated area of England; greater than all the improved land in the five old provinces of Canada; more than double the improved area of six New England States, and yet, in the eyes of some, it seems a very small portion of territory? The worst feature, however, is that practically the Syndicate can control a large portion of the other lands not conveyed to them. The debt of Canada is now not far short of $160,000,000, or $40 per head of the population. The United States, with their 50,000,000 people, have reduced their debt to $38 per head, after one of the most expensive wars on record. They have limitless resources within themselves, and a stream of immigration, averaging nearly 500,000 a year, and many of them are, during the last year or two, Canadians. At the present ratio of change our debt will, in a few years, double that of the United States *per capita*, and yet, with these things staring us in the face, we are asked to add immensely to debt without receiving any commensurate returns, and all this professedly in the interests of loyalty and patriotism! Build up wealthy monopolies to sap the vitals of the country; make the poor poorer, and the rich richer, and you will need an outlay of another $100,000 a year to draw in foreigners enough to make up for the exodus of our natives. Can it be supposed that the descendants of the hardy pioneers of the Eastern provinces, who were not favored with a fertile soil, but who carved out a livelihood with scanty resources — and without extraneous aid — will now willingly submit to be unduly taxed to supply modern appliances for the western prairies or the Pacific slope, where nature has been represented to be so profuse in her beneficence? How can this be expected, especially — if their money goes to fill the coffers of an American Syndicate which is clothed with extraordinary power and bound by no law sufficient to protect the settlers or advance the country — after buying out an English company and expending large annual sums, deliver all up to a possible foreign company with a bonus of $25,000,000 and all the railways available? It will be difficult to make the people even of Nova Scotia, who were improperly, as I think, drawn into this Confederation without first being consulted at the polls, feel that while they were retained in the Confederation only by getting equal to about $2,000,000 on what is called "better terms," and thus induced to work harmoniously with the other members of the Confederation, they are now required to part with a much larger sum without being consulted. It will certainly be a strange anomaly if, at this time, without being directly conferred with, as to this important question, they would be willing to part with five or six millions of dollars to be expended in subsidizing a foreign Syndicate, and in the canons of the Rocky Mountains. They will be unwilling to admit that they are lineal descendents of Issacher to crouch down between these burdens without at least making a solemn protest.

Hon. Mr. MILLER — My hon. friend will recollect the terms of Union with British Columbia passed Parliament in 1871, and in the election which followed in 1872 the Province of Nova Scotia ratified by a large majority the action of its representatives, by supporting the Government of Sir John Macdonald.

Hon. Mr. McCLELAN — The point I was going to make was, that the construction of this great work under the Syndicate would impose a very large local burden on the people, which I think may be considered somewhat objectionable to them, and I come to this conclusion from the knowledge which we all must have, that even with the better terms which Nova Scotia obtained, it is clamoring now for the best terms, to use the adjective in the regular order of comparison. It is the fashion in financial straits and difficulties to establish a a syndicate, and, I am credibly informed, they are about to form a miniature syndicate in Nova Scotia in order to replenish a depleted treasury. That being the case, I am justified in making the observation that on any question which involves so largely the taxation of the people, it would be only wise, and subservient to popular rights, to give the people an opportunity to pronounce upon the question. I would not refer specially to New Brunswick; but at the time of Confederation leading statesmen gravely told the New Brunswick people that the tariff would never exceed 15 per cent., and a reduction to 12½ per cent. was more than likely; That $2.75 *per capita* would be the highest limit of taxation for revenue purposes. I am very, very sorry, to be compelled to acknowledge that a great and oppressive "re-adjustment" has taken place since that period, and these pledges have been found void of all sincerity, and are deliberately and ignominously broken. Six dollars per head is now within the mark, under a tariff which is tending to depopulate the country even in these prosperous times. Under such circumstances, it cannot reasonably be expected that New Brunswick will be grateful to this Government for adding this useless additional burthen. That Province may, however, derive some indirect advantage from the wealth of individuals of this Syndicate, united with local enterprise, in furtherence of opening up a short commercial route to St. John and hasten the making of that city a place of winter shipment, though a still shorter route cannot long be delayed. Now, as regards the second company, a good deal has been said with reference to the men who compose it. The hardest assertion that I heard made against the first Syndicate was, that if the second company should get the contract, their rivals would be revengeful and cripple their resources. that is brought forward as an argument why the second offer should not be considered, and that is the only thing I have heard that was disrespectful to Syndicate No. 1; and I do not believe that anything of the kind would take place. But as regards the second Syndicate, a considerable number of expressions have been used that might not be considered the most respectful, and Bradstreet has been quoted to bring something against their financial standing. Now, I happen to know one of those gentlemen. He has not been always in political accord with myself, but as one who has worked his way from very humble beginnings by the energy of his character, I can speak of him in nothing else but words of praise. He is not only a gentleman of great wealth, whatever others may say about him, but a gentleman of extraordinary enterprise, munificence and charity, who is doing very much for the province in which he lives. I am sorry, therefore, that he is represented as a sort of eelemosynary character, deriving what money he has from the gentlemen of the first Syndicate, and that, therefore, the second company derive their backbone from the first. I would infer from that statement that the Syndicate had lost its backbone altogether With reference to the gentlemen who made the second offer, they have given a better guarantee than was required. The Government stipulated for $1,000,000; the second company deposited $1,400,000. It is easy to understand that they have not deposited that money as a sham — that they intend it to be a guarantee for this work if they should be negotiated with and treated as such a body of gentlemen might reasonably expect, and therefore I think the observations which have been made about them would have been better unsaid. I do not know personally the standing and character of these gentlemen, but I know the reputation of many of them. If Bradstreet is to be taken as gauging the character of gentlemen with whom the Government are to negotiate, it would be difficult perhaps to find the standing of the gentlemen composing the first Syndicate, for I think some of them are not rated at all, and, therefore, having no rating in Bradstreet they have no standing at all. But there is one peculiarity connected with this second Syndicate. They have not the merit of being United States citizens, which some hon. gentlemen, the hon. Senator from Amherst among them, regard as a great desideratum. They are not likely to hand this monopoly, with all its rights and immunities over to Mr. Vanderbilt or Jay Gould, for the reason that being British subjects themselves they agree, if their proposition is accepted by the Government, to open stock books in the chief cities of Canada, wherein any persons blessed by a kind Providence with surplus capital may have a chance to join in this great Canadian work. I think that is a condition of things which every loyal citizen of this country would prefer to the condition of things mentioned by my hon. friend, and there is no use cavilling about the amount of money, or saying that the $1,400,000 deposited is not as good a guarantee as no deposit. They have given a larger guarantee than was stipulated for, and before the first Syndicate have deposited a dollar for the purpose of going on with this work. Whether the offer of the second Syndicate will save nine or ten millions, it does not matter, they have come in, at all events, very inopportunely. They do not propose to restrict the future settlers in the North-West from the right which all municipalities ought to have of regulating their own affairs and imposing necessary taxation upon all lands within their limits. They are willing to pay customs duties on the materials which enter into the construction of the road. I know I can speak for my New Brunswick friend, the "backbone" of them. He is not particularly favorable to the National Policy, but I think he is willing to give a loyal obedience to the laws of the country, and willing, so far as the Syndicate goes, to pay his regular quota in the construction of this work, towards filling up a treasury which will need repleting and filling up, unless a merciful Providence continues to favor us with abundant harvests and continued good times. They ask for no railway monopoly at all. Some hon. gentlemen think monopolies are just the thing for a new country, and they throw around them the mantle of prophecy, and predict all manner of good things for the settlers in the North-West arising from this monopoly. This second Company also confer upon the Government the right to resume the road if they should wish to do so on any further occasion. They are also willing to be guided and governed more specifically in the matter of tolls and rates than the other syndicate are. Then they say that if the people of the Dominion should at some future time decide that they cannot afford to open up the all rail route through our own territory and should say, "While we are sensitive about the rights acquired by British Columbia under the mad bargain made ten years ago, we in the eastern end of the Dominion have also some rights and requirements to be attended to." When the people feeling this way find it desirable to suspend the construction of the eastern end and build a commercial route first, in order that Montreal may become a greater centre than it is, and the other leading cities assume larger proportions, and the Government, acceding to the wishes of the people, whose servant they are, so decide, then these gentlemen bind themselves to construct the Sault line. But some hon. gentlemen say that this second Syndicate must be put down because they do not agree to build the line north of Lake Superior or to build the western section and run it—that they only agree to build the centre section. Is that true? Why do hon. gentlemen put forward such statements as that to go forth to the country? There is nothing of the kind in the proposed agreement. They merely say if the people find that it is desirable that any portion of this work should be suspended and the Government so direct, they will be obedient to the Government and the people, and, therefore, the argument which has been so liberally used is in reality no argument, and is, in fact, conclusive evidence to my mind that these hon. gentlemen are devoid of arguments to sustain this policy which will meet with the reprobation of the people of Canada. One hon. gentleman says he deplores after all the mishaps which might have occurred to the Conservative party of which he is a member, he feels more like offering congratulations than using arguments. Well, I have no doubt of that, because that is exactly what he did, for argument in favor of this Bill I could not discover in all his fine speech. And then we are told how dear to the people of Canada is this Conservative Government, but all through their speeches there cropped up expressions which indicated fear of the results of the next election, because they contended that the only harm in accepting the second offer would be the danger that in the event of a change of Government the two ends of the road would be abandoned and a Liberal Government might remain in power. Then, as to the financial connections of the second Syndicate, some hon. gentlemen have discovered that they have none. I have heard the statement made, but not proved. Perhaps these hon. gentlemen know the capacity of these members for the work; for myself, I must say that I do not know, but I think it is unfair to traduce the character of Canadian gentlemen unless there is some proof for the statements. Some hon. gentlemen gravely stated we should support this Bill although the bargain was made in secret, for the reason that the Government are bound in honor to carry it out, and conceived when they made it that they had sufficient power to bind the people of this country without having consulted them. When I heard those observations I felt like saying to those gentlemen who uttered them, "Well, you are not in the Government yet." I do not propose now to dispute the fact that the honor of the Government is pledged, but the members of this House are not pledged, and the people of this country are not bound by this agreement. The contract must come before the three estates before it is ratified, and it is now before us for our acceptance or rejection. We have a higher duty than merely to register the decisions of the other House, as suggested by the chief organ, and be prepared to abandon all the rights of this Senate. Why do hon. gentlemen says that this is a bargain which we are bound to accept? The hon. gentleman from Toronto (Mr. Allen) said, "If you were to let a contract for the building of a house, and about the time the contractor was to commence work you should receive a much lower offer from another source, would you not feel that you were bound by your acceptance of the first offer?" That is quite true; but suppose, on the other hand, that the house was built by a tenant, and this contract which he had made had, by the terms of his agreement itself, to be subject to the ratification of the landlord, and if before that contract was laid before the eyes of the landlord another contract, not only much cheaper, but also embracing conditions which would render the landlord's tenants for all time to come happier in every way, do you suppose that landlord would be acting dishonestly if he accepted the second offer, or at all events declined acceptance of the first till he could further consider and determine what was for the best? But we are treated, as before stated, when argument fails, with abuse of the other side, and my hon. friend from Londonderry (Mr. McLelan), in the exuberance of his imagination, has devoted his power of ridicule to the late Liberal Administration, and then to the members of this second Syndicate — and he has taken rather a wide range, when he refers to Beaconsfield, Bradstreet and blue-jays to support his theories. It is well known with what energy and perseverance this honorable body labored to discover every possible waste of money, or mistake in policy, on the part of the late Government, and with what pertinacity the extra purchase of steel rails in a falling market, the seeming high value awarded for Kaministiquia lands, and the Neebing Hotel and Fort Frances Lock outlay, in order to utilize the large Tory expenditure on the Dawson route, were in this Chamber charged as mistakes only, but throughout the country, at every Conservative gathering, they were transformed into favoritism, corruption and crime. No matter how often it was explained that these transactions were largely the result of the initiatory policy of their predecessors, or errors of judgment on the part of engineers or of arbitrators — no matter how often these exaggerated charges were wholly and completely refuted or explained — they still must constitute the staple items of popular tirades, and be driven to use such paltry accusations, because those using them could flaw nothing more tangible. But, hon. gentlemen, what has the resuscitation of all this to do with this question now before the country? The ex-Premier, too, has been lengthily referred to in a very derogatory manner, but during the years of his administration of the Government, though laboring under the great disadvantage of following a reckless and extravagant Government, with the country committed to their unfortunate policies, and with the reduction of revenue arising from the great depression of trade all over the world, I have never yet heard one of his opponents bold enough to charge the ex-Premier with any wilful waste of public money, much less any corrupt application of funds for the benefit of himself or his friends. He may have, in the eyes of his opponents, made mistakes — who in this frail world does not? — but no hon. gentleman in this Parliament has ever ventured to throw any discredit upon him in the direction I have indicated, and when the future historian comes to draw truthfully the political portraits of the statesmen of the past decade, and a record of past Canadian episodes be inscribed on history's pages, it will be an exceptionally striking memento for all future time, that in the midst of Canadian politics the five years of administration were so conducted that not one single charge of dishonesty or favoritism has been ever alleged against one whose great abilities were only employed for straightforward, honest purposes. In his references to the late hon. Premier my hon. friend might very properly, under present circumstances, have used more moderation, and contented himself by suggesting that on Hon. Mr. Mackenzie's retirement from active political life he would inscribe over his portals merely the words *requiescat in pace;* but my hon. friend indicates as a suitable epitaph the old exploded election stories, "Steel rails," "Kaministiquia," &c., &c. Let me remind him that whenever he shall need such inscriptions for his leaders he will have a very lengthy list of suggestive transactions from which he may select most appropriately. For one we might inscribe under heraldic devices "Only $10,000 more," "These hands are clean." For another, who controls the railways of this country? and who is the prime mover in this Syndicate, we might find some very appropriate ones, but I will leave the hon. gentleman from Londonderry himself to make the selection, because, from the record of his earlier years in Nova Scotia, he could select one much more appropriate than any I wish to suggest. Of my hon. friend himself, whose keen satire may be at times wrongly directed, I cannot make any unfavorable reference. His talents and energy, employed so persistently in support of this Tory Government, have been to it of invaluable service. He has, no doubt, misled his friends by contributing to his party a moral strength and a higher status — attributes so much needed — and after he shall have enjoyed the sweets of office, for which he is so well fitted, and retired to reflect over past exploits, I hope his political epitaph may be nothing worse than that proposed by an eminent Irish statesman, and written by one who was a countryman and contemporary of him, from whom both he and I claim a common ancestry :—

"Here lies our good statesman, whose genius was such
We scarcely can praise it or blame it too much,
Who, born for the universe, narrow'd his mind,
And to party gave up what was meant for mankind."

Already do hon. members begin to realize the danger of depending too much on the credulity of a misgoverned people. Political calumny and persistent abuse of the Liberal party and its trusted leaders may have for a day served an ignoble purpose; but, notwithstanding all the efforts of a subsidized press, the scales will fall from the people's eyes. And after the protest from the legislature of the prairie province; the still more emphatic expression of the people of that beautiful island province of Prince Edward, who have so boldly spoken out in their own defence; the unmistakeable indignation of the other provinces down by the sea, where murmurings of discontent everywhere prevail; after the signal failure of the very able advocates of this measure to show its usefulness or safety — the gilded sophistry employed to gloss over its hideous defects — after another and infinitely better offer has been made by a Canadian company, which would save to Canada, not only money, but also her commerce, her credit, her character and the loyalty of her people; after every effort which has been made to point out the enormity of this proceeding; its great dangers in the light of past Canadian history, and the unnecessary financial burthen it will impose; and if, ignoring any reference to popular will, on such a new and stupendous question, over which the people shall not in the future exercise sufficient control, the right hon. gentleman, who enjoys such personal influence and possesses so many subservient supporters, is deliberately determined to force this secret bargain on an unwilling people and bind and shackle for all coming time this young Dominion; then, I say — and I say it without personal ill feeling, but purely in a political sense—that, applicable to him are those words of an English poet, addressed to one of the earlier kings of Britain, when a royal edict went forth to destroy the bards of Wales, because they warned the people of their principality of the dangers which beset them from the exactions and tyranny of their royal masters :—

"Ruin seize thee, ruthless king!
Confusion on thy banners wait,
Tho' fann'd by conquest's crimson wing,
They mock the air with idle state.

Helm nor hauberk's twisted mail,
Nor e'en thy virtues, tyrant, shall avail
To save thy secret soul from nightly fears,
From Cambria's curse, from Cambria's tears!"

If "Canada" be substituted for Cambria the similitude will be more complete. I desire again to apologize, hon. gentlemen, for so long claiming your attention and to express my gratitude for the extraordinary patience and kindness which have been at this late hour and stage of the debate extended to me. I am aware that all around me are gentlemen in wealth, in political experience, in influence and talent vastly my superiors, and many of whose opinions I am too feebly endeavoring to controvert. If I have spoken, at times, too warmly, my words have only indicated my feelings. I have spoken from no partizan standpoint. The obligations to a party pale before obligations to one's country. Canada is the land of my birth; in it I hope to live and expect to die, and all through the course of this debate I have wished for the power and eloquence of my hon. friend from Cumberland, who so well "commands the applause of a listening senate," or the free and fluent tongue of the hon. gentleman from Richmond, so silent now on this question, whose speeches in his earlier provincial career in defence of popular rights I used to read with pleasure; or the advantages of many other gentlemen around, whose potent utterances are so often heard in this Chamber, and then I might show more forcibly to the people's representatives the hideous character of this proposition in all its naked deformity, and I would more effectively point out that if hon. gentlemen hope to maintain a proper respect for the functions and rights, and usefulness of this Chamber, especially in guarding provincial rights; if they wish to retain for their Government a place in the hearts and affections of the Canadian people; if they desire to preserve the loyalty of those who toil for daily bread while the favored few are clothed in fine linen and fare sumptuously; if they wish to preserve the welfare and promote the prosperity of the people of Canada, they will pause before they irrevocably ratify an act so injudicious and dangerous in its results to the best interests of our common country.

Hon. Mr. BOYD — At this late period of the debate, when all that is possible to be said has been said, I would not add a word, were it not that, as a representative of one of the chief commercial cities of the Dominion, it might be expected that I should not give a silent vote. I desire therefore to put on record what I consider our duty at this great crisis in our history. I believe that not a day should be lost in bringing this debate to an end, for the interests involved are so many, the objects to be attained so important, it is time that deeds took the place of words, and the navvy's spade supplanted the reporter's pencil. Some eighteen hundred years ago the question was asked, "What is truth?" and we have been searching for it ever since; men take such strange views that often they allow their interests to choke the warnings of conscience; truth remains at the bottom of the well, and never reaches the surface. In this discussion we had the truth plainly set before us in relation to this question, in the admirable presentation of the case by the hon. the leader of the Government, while, for three days, the hon. leader of the Opposition, with a degree of ability and ingenuity worthy of a better cause, sought to cover up this truth, to hide it in a thicket of underbrush, and each hon. Senator, in his turn, has contributed of his ability, to make converts to his views. So that we, simple ones from down by the sea, are almost lost in the mist of debate. Let us for a moment pierce this, and see where we stand. That this road must be carried out to the end at some time is granted on all sides. We have the deliverances of the Premiers on both sides, that it must be constructed from east to west, from end to end. Our liability is undoubted. "Its in the bond;" this agreement must be cancelled by all the contracting parties, or the promises carried out, or we must stand before the world branded as covenant breakers. Are we prepared for that? Would it pay, even if we took no higher view? We are assuming large obligations, and the way in which these are met will be watched with keen eyes, by friends, as well as enemies, and if at the threshold of our national existence we violate our agreement with one of our own confederated states, because their people are few and the work heavy, as some propose to do, the judgment would be against us, for the world would rightly conclude that the same unfaithfulness might characterise other transactions, and for this we are not prepared. We have not adopted, and we do not propose to adopt the doctrine of repudiation just yet. How then are we to finish this work? Both parties have tried it as a government work, and both desired a company to take it off their hands. They both have had sufficient experience of the difficulty which in a thousand forms besets governmental construction; the indefiniteness of the cost — the impossibility of unrestricted action — the obstructions of political officialism, "for many will entreat the favor of the prince, and every one is a friend to him that giveth gifts." All these led both Governments to seek for a company. The Government of 1872 had such an offer from a company with Sir Hugh Allan at its head, the terms of which were in brief:—

54,500,000 acres of land $2.....	109,000,000
Cash subsidy	30,000,000
	$139,000,000

The Government which succeeded attempted to carry it on as a government work, but they, too, in 1877, offered to any company:—

55,940,000 acres of land $2,....	$ 111,880,000
Cash subsidy $10,000 a mile...	29,779,000
Government guarantee 4 per cent. on $7,500 a mile, say.	20,997,500
	$162,629,500

This is known as the Mackenzie offer. Even this large offer of some $160,000,000 did not attract any bidders, although advertised far and wide. In 1880 the present Government obtained from Parliament a grant of 100,000,000 acres of land, and, with this in their hand, "the sowers went forth to sow." And the crop was a Syndicate, of great financial and commercial experience, who offered to do the work from the rising of the sun to the going down of the same,

For Cash	$25,000,000
Work done, value	28,000.000
Land, 25,000,000 acres, $2	50,000,000
	$103,000,000

or for $36,000,000 less than the Allan contract, or $57,000,000 less than Mr. Mackenzie offered, an offer made by him in good faith, and which, if it had been accepted, would have put upon our country a debt of $57,000,000 more than is proposed under the arrangement now before us! I have no doubt, too, that the company getting it would have secured as full arrangements as the present, for most anxious were the Government to get rid of it, and I have very great faith in Mr. Mackenzie's practical good sense and judgment when not dealing with party questions, and have reason to know that, as Accoucheur General of the great party of which he was leader, he would have made concessions, as he was most anxious to rid it of this very troublesome baby. I give him back the office and title which that hon. gentleman conferred upon me, during my absence, while he was on a political mission in aid of his supporters in St. John. Mr. Mackenzie's estimate of the cost of the road, with land at a dollar an acre, was $100,000,000, while his friend, Sir Richard Cartwright, estimated it at some $150,000,000. But then his estimates are not accepted generally. They are much like Artemus Ward's bear. The opposition to the present measure seems very much like that to another great measure, which my friend the Minister of Railways introduced in Nova Scotia, and which was as violently opposed there as this is here. While speaking to one of his opponents who had formerly been a warm advocate of the very measure which he was then opposing, and reminding him of his inconsistency, he did not, like his brethren of the present day, plead that "circumstances had changed:" he honestly owned up and said to me — "It is all very well for you to talk, but suppose you had gone all over the world, and gathered a valuable collection of wild beasts, and just as you had got up the tent, and gone to the door to take the money, a confounded fellow like Tupper should come along and say, 'Here, get out of this, I'll take the money at the door.' How would you like that?" Sir Charles is again in charge of the door, but his admission fee is less than Mr. Mackenzie's, and as the country has to pay for the entrance, the country prefers the present door keeper in that department. Much like a gentleman who came to me in St. John during the adjournment, demanding my views and intentions toward this question. Finding that he knew little about it, I said, "Here, now, be candid, you don't care about the Syndicate or the railroad either; you only want to get the present Government out, and the Mackenzie-Blake Government in." He replied, "That's it, that's what I want, and we're going to get up a meeting and a petition to carry it." Well, the petition was got up, but the meeting was not; they held it in Halifax instead; the Government is still in, and if I may judge from the pleasant countenances of my friends, the leaders opposite, they intend to remain in, — so that the people rather enjoy this battle of the railway if the fight did not cost so much; it is only the old fight of the Outs and the Ins, only that and nothing more. But to return: The Government propose to make the lands pay for the road necessary to get to them—these lands, which can only be made valuable by a railway, and without one are of very little value. What these values are, time only can determine; the more they are worth, the better for both the Government, the Syndicate, and us all, and I am sure there are few, very few, I hope, a small but determined band, who would not be pleased to see all prosper. This great road, with its connections — and the Syndicate will have to make many such to get its land bonus — will also render the Government lands beside theirs valuable, and from the reserve of 75 millions, thus interlaced by these lines, the Government will secure funds, from which it will recoup itself in the money expended. It was a wise saying of old George Pease, the Quaker capitalist and friend of Stephenson, "Let the country but make the railroads, and the railroads will make the country." Our experience has verified this, again and again, both on land and water. Some forty years ago, when Canada expended four millions of pounds in cutting canals through this country; the ruined people cried out against the policy that entailed such a burden upon them; the British Government came to their relief and guaranteed the debt, and these canals, which were to ruin, built up this country; wheat worth only 1s. 6d. in the interior sold at 5s. on the seaboard, and yet the farmers, who were thus benefited, were loudest in their condemnation of these canals, like their brethren in England, who hunted the first railway surveyors from off their lands, with dogs and guns; aiming at the destruction of those, who were doing a work which was to raise their country, and especially themselves, to the highest point of prosperity. But, after all, the value of these lands is all conjecture; whatever may happen the Syndicate, the country is safe; the lands will be here, and the people on them, and every one of these settlers will be worth, at least, $100 a year in labor, and one quarter of that in revenue; and this Company in its own defence is bound to secure these settlers upon it as early as possible. It would be amusing if it were not sad to mark the change of opinion as to the value of these lands, given at different times by the same men, under "changed circumstances." It is not creditable to their political consistency, and while I gaze on this picture, and on that, I am reminded of the lines of Lowell:—

"A ginoine statesman, shood be on his guard,
Ef he must hev beliefs not to believe 'em too hard,
For ez shure ez he does, he'll be blartin 'em out,
Without regardin the natur o' man more'n a spout,
Nor it don't ask much gumption, to pick out a flaw,
In a Party, whose leaders are loose in the jaw,
And so in our own case, I venture to hint
Thet we'd better not air our perceedins in print,
For when ye've done all yer real feelins to smother,
The darned things will up, and mean sumthin or 'nother."

The poet must have had prophetic inspiration and seen the course of the Opposition leaders on this railway and land question. The hon. Senator from Albert stated that it was promised we should have seven millions of people by our next census in this Dominion. Who is to blame for the shortage? Had this road been constructed at the time of the Allan contract we should now have had it in operation and the increased population promised would have been there. Whoever may be blameable, the party of the present Government cannot be. Now, I have had some practical experience of Syndicates or rather companies, and land grants in New Brunswick. With others, I was lured into the construction of a line of narrow gauge of some 200 miles, through a magnificent and partly settled country; we had a land grant of 10,000 acres a mile, choosing the best, with exemption from taxation for ten years, with other exemptions. The hon. Senator from Albert complains of the exemptions of this railway Syndicate from taxation. How is it that he is so careful of what he conceives to be the interests of people thousands of miles away, but neglectful of those at his own door? The charity which begins at home, ought to have asked for taxation of the land and stations there, but I do not remember that he ever raised his voice there, and yet this exemption of roadbed and station, is enjoyed by the railroad passing through his own county, and by every other railroad in New Brunswick—has been so settled by Act of Assembly, and any road can claim these privileges under this act to-morrow? He also is eloquent in his denunciation of monopolies. Why, the whole history of trade and commerce is a history of monopolies! Special privileges granted to enterprise and capital to use in the development of new industries, the discovery of new countries. Some of the most brilliant pages of British history are those of monopolies; among those the East India Company, with some blots, yet it did good work, and laid the foundations of great wealth and power for Britain. When monopolies accomplish their purpose, they are bought out or voted out. From what I know of some of the men in this monopoly, should their emigration plans succeed, their history will be as brilliant in, and as useful to our country

This offer of the Government was placed before the capitalists of Great Britain; they would have none of it, and then little New Brunswick took it up. What visions of power, fame and fortune came up before us! How the press did abuse this ring of speculators; how the people, in their might, were called to rise up and punish the Government, and Parliament, which had given away their lands to us monopolists, and the changes were rung on this "exemption from taxation" cry, as is being done now. To-day, there are two millions of acres of the finest lands in New Brunswick held by this railway company, one tenth of the whole area of the Province, and these lands are becoming valuable by the labors of those who have farms contiguous, just as the Syndicate's lands on the Canadian Pacific, settled by their emigrants, will benefit the Government lands alongside: one part of the country is aiding the other, for if one member of the body is benefited so are all. Our road, constructed on a narrow gauge, through a settled country, connected with the cities of St. John, Fredericton, Woodstock and other prosperous populous places, and yet we never received even the interest on our investment. Many of the bonds were sold at 25c. on the dollar, and the Company was glad to sell out the road and lands for what they had paid years ago, without interest. So that we in New Brunswick have had our experience of railroads; first under Government construction on the Intercolonial, the European and North American, the New Brunswick and Canada, the Albert County, the St. Martin's, the Grand Southern, and the New Brunswick, with its company and land grant, and from like experiences we all earnestly pray that we may in the future be delivered. We, down by the sea, have our undeveloped resources, as well as you in the interior, and I desire to say a word on this point before I sit down. We have lands to be settled, valuable as any in this Dominion, and for this reason we desire to have this matter of a trans-continental railway settled for all time, and settled to the amount of our liability, which, under this offer, will be little more than $2,000,000 a year, without the cost of running and repairs. We desire it, too because when in the east we ask for means for our land or maritime projects, we shall be no longer met with the excuse of the expenditure on the Pacific. When, too, all this can be effected through and from the sale of our reserved land in the North-West, should not every maritime member most heartily endorse this policy? I cannot, dare not, give a silent vote on this question, much more, a vote against it. With this great railway finished from ocean to ocean, I see realized the words which, twenty-five years ago, when advocating another line, I addressed to the Chamber of Commerce in St. John:—

"Looking at our position with regard to Lower Canada, St. John must yet become the winter seaport of that country, if we prepare for it. Portland has already taken from us a portion of this trade, and the geographical and political bearings of our Province with Canada render it necessary that this trade should not extend in that direction. The Canadians prefer an outlet through British territory, and surely, when it is so plainly for our benefit, we shall not hesitate to meet them.

"We look forward to the early action of Great Britain in adopting as her own the contemplated scheme for uniting the eastern and western hemispheres, by the Atlantic and Pacific Railway; the advantages to Britain of such a connection must appear to the most casual observer of her present and past difficulties in the East. It would give her in controlling these difficulties advantages which would far outweigh the first cost of such a road. An ocean port near us, must be the Atlantic terminus, Vancouver's Island, the probable Pacific terminus, connecting there with the East Indies and China by powerful steamers. Our connection with Canada will place us in a direct line with this great work, and St. John, in a few years, may thus rise to the position of the Liverpool of British America.

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"Instead, too, of allowing political partizanship, or geographical accidents, to shade our eyes and dull our perceptions — instead of looking at a Government merely as the dispensers of patronage, to be torn asunder at every new appointment — let us assist in carrying into effect broad and statesmanlike views on these great questions of railroads, emigration, the settlement of our wild lands, ocean steam navigation, ocean fisheries, mines, our agricultural and manufacturing power. This question of railroad extension should be especially removed beyond the pale of party strife. As the British Parliament treat of India, we should treat of railways; this should be viewed as a great question, affecting the chief interests of our country; thus by a union of all, for the good of all, we can easily overcome difficulties which now appear insurmountable.

> "Instead of arraying sectional interests one against the other,—the north against the south, and the east against the west—let us unite on our common country and make it what it ought and will be, the free, prosperous Province of New Brunswick, whose hardy sons will earn for themselves, in their own country, that wealth and prosperity which they seldom fail to secure when they go to those lands where there is scope for their enterprise and payment for their labor; and thus, instead of seeing, as we have too often seen, our workingmen leaving us for the Far West, we shall have them pushing on in their own land those works of enterprise in which they never fail to take the lead abroad, and be blessed with that health which is too often lost in the ague swamps of the Far West, or amid the arid plains of the further West."

The railways I then advocated have been constructed and in operation many years; by new combinations, and some of these are in the hands of this Pacific Syndicate, we in St. John will soon offer the shortest direct route to the sea for Quebec, Ontario and the great North-West. We shall then see our magnificent piers laden with the passengers and freight of the great ocean steamers lying beside them; and with only one change, from their embarkation in Europe until they reach British Columbia, those who will not remain with us. The Syndicate have already purchased and paid for the New Brunswick Railway, it will form part of the all-rail route from the Pacific to St. John, which will at least become the winter port of this great combination, being the nearest, through British territory, to the sea. Already lines of steamers are being built for this very route, and we shall have in this Company, by land and water, the greatest emigration agency the world has ever seen, and by this means the Syndicate may gain in peopled lands what they will assuredly lose in the construction and running of their railroad. When the father of railways was before a parliamentary committee, on their inception, one hon. member asked, "Suppose there should come a cow upon the track, what would be the result?" His quiet answer was, "I pity the coo." So when I look at this contract, and all that it involves; what the Syndicate is to do, and what to get, the time to do it in, and the mode and kind of payment, and the running of the road for ten years after, which is one of the chief points secured, as all who know the history of railways through a new country can attest; while I have great confidence in the ability of its members, their financial skill and shrewdness, yet I cannot envy them. I pity the Syndicate. They need not offer me any stock in the enterprise; I know the value of peace and quietness too well; but as they are willing, we should not be unwilling; they enter into it with their eyes open; it meets all our requirements, it is a just bargain between the two contracting parties, and more than that, the fair minded people of this country will not ask. While I believe that a road to the Sault Ste. Marie is a necessity, and will soon come, yet that which is to be our great national highway should not so be made with part connection by other lines; it would not be wise policy for us, nor would it fulfil the conditions of the bond. We must have our own road through our own territory, for it will be our own for years yet, the four out of five of our people, that an hon. Senator affirmed were in favor of a political change, not yet being in existence, except in the fertile imagination of gentlemen who do not mix with the people, and who think they can "start the world's team when it gets in a slough,"

"For John P.
Robinson he,
Sez the world'll go right, if he hollers out, Gee!"

How the words of the hon. gentleman from Manitoba rang through this Senate hall last evening when he said that while he was happy travelling through the United States, where he was ever kindly treated (and who travelling there is not kindly treated?) yet that he was doubly glad when again he trod Canadian soil. This is the sentiment which crystalized into action will make this country one. But mark the diversity of sentiment among our friends on the other side: here we are as one; but there scarcely any two are alike. In the other branch the Opposition have placed on record the fact that when they get power they will construct only a portion of the road, leaving it without beginning or end, while here the Opposition repudiate the deliverances of their brethren there. Here each hon. Senator in turn has a different personal policy of his own, no grand united plan on which to erect their building, unlike that of the Government and its supporters. Their plan matured in every part, strengthened in every weak point, guided by the strong hand and far-seeing eye of one of the most sagacious and patriotic statesmen, whom I pray may be long spared to us, remains as it was, intact in every part, and instead of the disjointed kaleidescopic thing, which to-day is, and to-morrow is not, the Government measure is before us, one harmonious whole, challenging admiration of its proportions, support because of its fullness and gratitude that we are in this well-guided bargain to get so much and to give so little. With us in the Maritime Provinces, among those whom I met and they were not few, the question is, "Shall this Pacific Railroad, through this new country be made with our money, or with our lands in their territory?" and they prefer that it be made out of their lands, and we keep our money. This is the course of the Government, and in that course they will receive the support of the Maritime Provinces, and every day will strengthen that view when it is more fully presented before them. The Opposition call a halt, or desire to go on slowly. This is the game of the Northern Pacific; thus while they would have us sleep, under their concealed opiates, the enemy would sow tares, and the people and their trade that they and we are seeking for, would be diverted to the care of General Garfield rather than to that of the House of Argyle. Oh, if we could only get behind the scenes, and see there the hidden hands in the United States, that have opposed this work, we should find indeed some among ourselves who have been politically blinded by the rare old stock jobbing schemers of New York, "whose hands were the hands of Esau, but whose voice was Jacob's; and they discerned them not, because their hands were hairy." For what has infused new life into the Northern Pacific but the prospects of the Canadian Pacific? In the completion of the latter line, our American cousins see the most powerful competitor of theirs! Remain as we are, or go on, only "as our means permit," as the phrase goes. Well, our means will permit the work as here presented to us, but not as a Government work; we could not bear the strain which political necessity would put upon it under either Government, and especially under that which does not now administer the affairs of this country, which is, and I hope long will be, known as Her Majesty's Loyal Opposition! I was gratified that the hon. member from Yorkville, who has greater faith in the resources of his country than any of his associates, in his enthusiasm, he was sure that a company could be got to do the work for $25,000,000 and 8,000,000 acres, then 5,000,000 and even for 1,000,000! I was waiting for a proposition from him of a company that would offer a handsome bonus to the Government for the privilege of building the road. Perhaps we may have it before the discussion ends. But we cannot wait; the value of money is now low, but who can tell how long this may be? The price of rails is now favorable, but this may not long continue. A European war, which might arise in a month, would change the whole character of the money market. From calculation, I think the present acreage of land in this Dominion is about 2,000,000,000, and at the last census all the land in Canada under cultivation was only about eighteen million acres; the result of our 200 years' existence is this. If it takes this time to conquer eighteen millions, how long will it take to exhaust the whole, of which some of our friends are so fearful? Of course the processes now are more rapid, and a large portion of these better adapted to agriculture, but the heirs and successors of the Syndicate and the Senate, to the third and fourth generation may be left to settle that matter, while we look down upon them with calm equanimity. But while talking of the North-West, I would not have you forget a great Down East in the Province of New Brunswick, the eastern portion of this line, where there is a territory capable of supporting five millions, and only a little over a quarter of a million in it, and the land in many parts can be had for the settlement. The "Old Home," too, is within ten days of it, and the great market in that old home is always open for its products, of which I shall have more to say at another time. Some years since I had occasion to write of this, and I ask its hearing at this time:—

"Looking at our wants, that of agricultural produce and farm labor, we should direct our attention to those sections of the country where labor can be most profitably employed; and we at once turn to the fertile lands which lie along the valley of the St. John, and to those places through which, and northward of which, our existing line of railway runs as the great fields of successful operations.

“ We have a country, the advantages of which are known to few, even of ourselves. On the continent of Europe, this side of the far-famed valley of the Mississippi, there is no part of the country offering equal advantages with this for farming, and especially for raising cattle. Throughout this North American continent there are two ridges of mountains, the Rocky Mountains to the West, and the Alleghany range to the east. The latter extend on through Pennsylvania and the Northern States, where they take the name of the White Mountains, continuing on and strking New Brunswick, until they reach Gaspé, where they make a bold descent, and fall into the St. Lawrence, taking up their course on the other side. These mountains border upon us. They do not, as in all the Atlantic States south of us run through the country and form an arid ridge or back-bone nearly incapable of cultivation, but sweeping round us, they render the counties of Charlotte, Queen's, York, Carleton, Victoria, Restigouche, Gloucester, Northumberland, Kent, Westmoreland and King's one vast and well-sheltered valley, the original bed of which has not been disturbed by the violent upheavings which made these mountain ranges; and throughout these counties, with some few exceptions, the soil is what it has been for thousands of years, rich and fertile beyond any Northern State of the Union or the sister Province; while it offers in health an advantage greater than the valley of the Mississippi — an advantage which we owe to the free bracing air which ever sweeps over our beautiful valley of New Brunswick.

“ This fertility of soil, however, does not apply to land near the sea coast, for there, as is the case in Nova Scotia, Maine and Massachusetts, there is a solid rocky chain running round the entire coast, extending inwards, on an average, thirty miles, where agriculture is not so remunerative as in the interior. But inside of this rocky belt, which is like a natural defence, we are rich in agricultural and mineral wealth, which, if properly worked, will give remuneration to capital and labor, second to no other portion of the country east of the Mississippi.

“ Our Province has sometimes been likened to Scotland and the northern division of Ireland, but the natural capabilities of neither of these will bear comparison with those of New Brunswick; their superiority has been wrought by their people; their indomitable energy, directed by science, and supported by capital, has turned the turf bogs of the one, and the “ brown heath and the shaggy wood ” of the other, into a fruitful soil, rendering them the cattle suppliers of the large cities, from their northern borders, even down to the metropolis of Britain. What is our position in this respect?

“ We have a Province peculiarly adapted to the raising of cattle; as a grazing country it is unsurpassed; our climate is just moist enough for grass, turnips, carrots, beans, oats, and like crops required for cattle. So true is this, that in July and August, while the pastures of Canada and the New England States, which border on the Atlantic, are parched and withered, ours are green and fertile, yielding abundant sustenance.”

Some fifteen years ago we had in New Brunswick a like agitation to this, but then there was real thunder; now it is only sheet-iron thunder, and we all know the difference between the natural and the imitation. The question was the Confederation of these Provinces. We had to meet then the same speakers, some now in another part of this building, that we have to meet now — the men who opposed every railway and public improvement, and whose advice, had it been taken, would have given us scows instead of steamships, carts instead of railcars, and a speaking trumpet instead of the electric telegraph. Then as now we had appeals to the people's selfishness or patriotism, and with wonderful adaptation to the locality or circumstances of those whom they sought to influence. In one place this Union was represented as that of England and Ireland: Ontario was the great ogre, or the England of the Confederacy, and New Brunswick the Ireland of it. Members of Parliament who afterwards occupied the high places of this Confederacy, and were quiet while in the enjoyment of their privileges were not ashamed to go among the people, and frighten them with stories of ruin more terrible than ever “ the eye beheld, the ear heard, or the heart of man had conceived.” Our lands were to be mortgaged for the taxes, our cows, horses, sheep, even the poor pigs were to be driven away by the Ontario taxgatherer; and, not satisfied with this exodus of the four-footed kine, our children were to be taken, the girls to work as slaves in their great cotton mills, which these oppressors were erecting to crush us, and the boys were to be drafted away to do the military duty of Ontario. One of these scenes in real life we must reproduce, which took place within a mile of St. John. A prominent canvasser went into a house, when the husband and father was out, the mother and son in. Picturing the happy family before him, he then changed to sadder tones, and bewailed what the future had in store for that family, when "this dreadful scheme of Tilley's," as he called it, was carried. "What do you mean?" said the alarmed mother. "Oh, your little Tommy there, when he grows up, will have tc fight the battles of Canada, he will be drafted into their army and be lost to you for ever." The poor woman, touched in her tenderest relations, vows death and destruction to "this scheme of Tilley's," the husband was ordered to vote against him, and so it spread like a raging epidemic; of course we were defeated, as we expected to be; there were returned 11 Unionists and 30 Antis. Through this dense mass of prejudice we fought for ten months, and again went to the people, and the verdict was reversed: we had 8 Anti, and 33 Unionists; and so would it be now. In a time of excitement the people do not stop to think. When the crowd, excited, asked for the release of Barabbas, and the crucifixion of the Unspotted One, they offered no reason for it to the Governor, but cried out all the more, "let Him be crucified," and it is ever thus. We were almost afraid to meet an Ontarian, but contact removed the fear; they are as a class, as gentle and almost as good looking as their brethren from down by the sea. As for the alleged evils of union, they are not the fault of the measure or its framers; if we pay more than was predicted, we get more back, and if our commercial classes complain, it is because the maritime provinces have been in some cases, made the slaughter market of others, and have had to contend against unprincipled men, who were bent upon securing a market by any and all means. In this way, at times, majorities are had; but they are not permanent. It is easier to excite a people's fears than to convince their reason. You can do the former by ringing a firebell, or hoisting a storm drum, but it requires time, argument, assured confidence in their leaders to effect the latter. One who has for a quarter of a century uninterruptedly held their confidence was, for a few months, politically submerged, but he did not bate one "jot of heart or hope;" he would not give up to party what was meant for country, and so it soon righted itself, and it would now, for they who war by misrepresentation — who to-day are, and to-morrow are not — will never hold the people's confidence; their victory will be only temporary, and, in the end, will prove as in the election of '67, and in that of September, '78, if put before the country, after a little time, only the more humiliating and disastrous. We are here, and especially in this exalted Chamber, beyond the din of party — here specially to guard the interests of the people, and surely they have told us, in no uncertain sound, what they want. Efforts of the most extraordinary kind were resorted to to arouse the people against this measure. Meetings addressed by the ablest speakers, and tickets of admission sent to the faithful; but to the faithless and unbelieivng, no admission at any price. The plate, and the begging letter, too, were passed around, to pay for the auxiliaries to pump up some enthusiasm; but, after scaring up the lame, the halt and the blind of political life, after prolonged caucusses and canvassing committees, the whole petitioning body only represents one in thirty of the voting population, I would rather have thirty than one were I running an election, and so we shall have, if in three years the Opposition will make the Government policy and this Syndicate one of their party planks; but they won't. The people are with us, and, therefore, the Senate should guard the people! Why, when it was first announced that a company had taken it off the hands of the Government, our entire press in New Brunswick, with the exception of one small weekly, hailed the news with joy; but a hidden hand about some of the committee rooms in this fair capital touched a bell, "a change came o'er the spirit of their dream," the order went out that the people must be roused by cries of ruin, wrong, spoliation, taxation: the same sad refrain of 1867 in doleful strains again in 1881. But when the people saw their old time trusted leaders, who had all their stakes in this country, and who, had they been corrupt, could have made more out of it as a Government work for their party, cool and determined, so were they, and the agitation collapsed before it began. The Bill will pass, the road will be finished, we shall know its cost, the coming population which it will attract will pay for it, no one will be the poorer, except it may be the Syndicate, and the whole country will be the richer and breathe freer. Our people are like a man on a rock, around which the tide is rising: he has to act promptly or the sea waves will soon sound their requiem over him. There are only two ways of escape: a raft fastened to it, poorly put together, only fit to stand on or fish from, made up of all sorts of discordant materials that have never been jointed together, and could not be: a bit of Irish oak, with a piece of Scotch larch, a big knotted shillaly, tied to a root of red pine, and a soggy spruce log, all bound by a rope of straw, which the first breath of an east wind will scatter all abroad. Alongside, there is an old whaleboat of Ontario oak, with a new British Columbia rudder, a bow of Quebec pine, and oars of Maritime ash; the boat is not so lively as it was five and twenty years ago, but it has weathered many a storm on the Atlantic, and we do not fear to trust it on the Pacific; it led to the death of many a monster of the deep, and ever carried those who trusted it. And so the man takes the whaleboat, and leaves the raft to remain there, as it had always, ever stationary, while fast sailing ships and swift steamers pass it daily. The whaleboat may be overturned, if not properly handled; it was once, but soon righted again; but the raft is sure to be, if it leave its hold upon the rock. I think the country will prefer the Government whaleboat now, and will for the next ten or fifteen years. Eight years ago, a cry was got up because of the subscription to an election fund by one of his own party, whose party success he hoped for. For this crime, which few men in public life have not committed—and he who is without this sin, let him cast the first stone—this man was not to receive, and did not receive, even the promise of any advantage from the party then in, or seeking to be placed in power. But his course, which was the very same as was pursued on the other side when they were telegraphing for large subscriptions to make a big push, was construed into a purpose to bribe Parliament and buy up the Ministry. And so, amid the noise and confusion, the country bewildered, lost time, and then seven years' leanness came upon it. Had it not been for this, we should now have been reaping the reward of a great emigration passing over a finished road into the very shadow of the Rocky Mountains, and instead of my friend, the Senator from Compton, leaving us to-day to arrange in Europe for his extensive cattle ranches under the shadow of the rocks in the Great Lone Land, he would at this time have been sending from there over the Pacific Railway, by ocean steamers from Halifax and St. John, to feed our brethren across the great deep, and to enrich us here. Time was lost, money lost, great opportunities lost, and "Some one has blundered!" Shall we blunder again? Alas! a second blunder would, indeed, with all this bitter experience, be worse than a crime! We hear of a new offer, which means only fresh delay, only that and nothing more. From an able non-political journal we have an epitomised history of the whole matter of the past, and we quote its wise words of guidance:—

"The first attempt to form a company was made by the late Mr. Waddington who had been a resident of British Columbia, and who was deeply interested in the project. He and his friends made their first attempt in Toronto, and it has been confidently stated that some of the very parties who afterwards applied for a charter for the Inter-Ocean Company, in opposition to Sir Hugh Allan, refused to encourage the original promoters, who having failed in Canada, went in despair to the United States, where they eventually succeeded in interesting a number of capitalists in the scheme. It was after the foundation had been thus laid that the Americans applied to Sir Hugh Allan and succeeded in obtaining his support. It was never imagined at the time that there would be any objection to American capitalists who had been encouraged to take an interest in the Northern and Great Western Railways, and who were much more likely than English capitalists to embark in such an enterprise. No sooner, however, did it become known that a syndicate had been formed, embracing Sir Hugh Allan and American capitalists, than a note of alarm was sounded, and it was determined to make Toronto the headquarters of a rival company. A powerful array of names was procured, and subscribed to an application for a charter, although it may be safely affirmed that hardly an individual on the list was really disposed to subscribe one dollar to the capital stock of an Inter-Oceanic Railway Company. The mischief, however, was done. Instead of being grateful to and encouraging the American capitalists who were ready to undertake the work, Sir Hugh Allan was compelled to abandon the

> very persons who had first invited him to join them. The Government found it necessary to give a pledge that Americans would be excluded from the company, and when overtures were made to British capitalists they were rejected, as they have been recently. When Sir Hugh Allan's company abandoned the enterprise, it is needless to assert that the Inter-Oceanic Company did not step into the breach. It had succeeded in its object of preventing the construction of the road by Americans, and it was heard of no more. The question just now is, whether it is more desirable that the road should be constructed by the Government or by a company, and in case public opinion should be, as we believe it to be, favorable to the latter plan, then is there any hope of making a more advantageous bargain with another company? We confess that, so far as we can judge, there is none."

History repeats itself, indeed, but let the parallel stop here! Some of the members of this new unformed company are personal friends of mine, who have gone into it without full time to consider it in all its bearings. I could not be a party to their injury, which I am persuaded this contract would be. Like other contracts made in haste, they would repent it at leisure, and I could not be a party to injure them, or our country. While some whom I knew were sincere in this offer, so far as it went, the non-political and moneyed portion of it, I have my doubts about the political members of it. Reference has been made by the Senator from Albert to one gentleman of the Syndicate. He is indeed a self-made man, and benevolent to all around him, but I hardly think that gentleman will thank my friend from Albert for referring to his views on political questions here. I shall not state what they are, as I think it would not be in good taste to publish the political views of any private gentleman, but I may be permitted to say, and on the highest authority, that they are not what my hon. friend has represented them to be. Why did not these men make their offer before, when their own political friends were in power to make it easy for them? They offered terms, as we have seen, better than is now offered. Their own political friends asked to be relieved of the burthen as a Government work. Why did they not, then, respond to this cry? Why were not the better terms of friends preferred to the infinitely more exacting terms of opponents? Why would they not have preferred to deal with friends, rather than opponents? The answer is plain: The offer was made when these gentlemen were assured that it could not be accepted. The capitalists of the offer were business men, and were quite ready to take up the prairie section (which one of them assured me could be built for a very small sum), if they could get for this, a very large sum, but not the whole line; and this was promised them, and the promise fulfilled in the amendments proposed, but the leaders knew when they framed them they could not be carried. It was a cheap mode of manufacturing political capital, which some of our political latter-day saints know so well how to propound; a quack medicine for which they hope to get an enormous demand in 1883, but, like other quack medicines, it will kill more than it will cure, and among the killed will be its promoters; it may run its little day among "the crop that never fails," but it will not cure the political ills of our friends who devised it, nor lead the people to demand it, even if sugar-coated with the names of men which, in ordinary commercial transactions are second to none, but which, in this connection, cannot be accepted. Our friends in the Opposition seem to be ever opposing, and have opposed all projects of advancement in this country; what great measure have they carried since 1867? Even the two negatives of their present policy, to build by the Sault Ste. Marie as a Government work, or the prairie section as a Syndicate, cannot produce one positive; there is nothing positive about them but their assertions, and these in some places are very positive. My hon. friend from Albert asks where we get our authority for the laying aside of a portion of this road. I refer him to the amendments of his own friends in another place. Not all the protests of the framers of these can wipe them out. Like Lady Macbeth, they will say years hence;—

> "Here's the smell of the blood still; all the perfumes of Arabia will not sweeten this hand."

I prefer therefore to leave this matter in the hands of statesmen who have made their record in the uniting and consolidating of this great country, rather than with those who oppose this, and seem to prefer this country should be the hanger-on of another, or become part of that other. A friend of mine, building in St. John, had offers from a first-class firm to heat at a cost of $2,500, and promised him the job. Another of less experience came in afterwards and offered to do it for $2,000. Under the pressure of a limited purse, he gave the second one the job; but my friend had to pay for the second's experience; he had to go back to the first, it cost him great labor and anxiety and $1,000 more, than if he had accepted the first offer. I am fearful of delay in the settlement of of this question, for if, after years of waiting, under an offer of better terms, we have only these two, I dread the danger of playing with the first offer, and of having put upon the country again the responsibility of this work by a government. When a young lad I was sent to buy a pair of fowls, and the owner asked me a dollar for them. I left him because I thought the demand too great. He was the only possessor of the fowls, and he knew it; and when I went back the price had gone up to $1.50. Franklin's lesson of the grindstone had not more effect upon him than had this upon me. I have never trifled with my necessities since. When the article was wanted, and I could not do without it, I secured it early as possible. Do the same now, or you may repent when too late. Removed from the heat and excitement of popular tumult, yet springing from, and of the people, we can calmly weigh these questions, not as to their effect upon this party or on that, but rather upon the great interests of our country; and doing this, while some may abuse, we shall have the sober, solid sense of the country at our back, which will mark that, amid the tumults of passion and the unseemly strife of tongues, there is one place where this may not enter, and that place, the Senate of this Dominion! Not a day longer can we wait; already years of profit have been wasted in petty party warfare in which the masses of the people take no interest. See how the world is speeding forward; mark its history and the developments of the years as they follow on. As in the natural world, "first the blade, then the ear, then the full corn in the ear;" so, as man's necessities arose, the process of development kept pace with them. When commerce needed steam for its work upon the land, the mode was revealed to us, and so when it extended its demands to the sea, canvas gave way, and the electric telegraph and telephone on land and sea, followed to do their necessary work. When this increased trade needed the medium of gold to carry it on, the mines of Australia and California were added to Peru, and so when the difficulties and over-crowding in the old world demanded more room, these homes in the West were opened, and we can offer to the oppressed ones, in their day of trial, our magnificent North-West and East, a new nation given to us that we may prepare it for the over-taxed sons of want in Europe, where each can get his soil rights for the asking and the working, and where we, having the power, should provide the means of reaching these by every avenue that presents on land and water. We are, territorially, the largest nation of the globe to-day. This land, which is being ruled from this point, from here, is inviting the world to come in and aid us in developing its resources, build up its homes, and defend its treasury. What a privilege and honor to be permitted to make the laws for such; there is no higher honor that I desire. Where is there such a land as this? Where the same freedom of life, of thought, of action, of influence? Freedom, even to abuse it and its bounties, and no one to tar and feather you as would be done for like conduct in other lands. We may have summer heats and winter colds, but it is a land that yields its fruit in its season to all who ask for it, a land where the peasant may become a prince and the peasant's daughter a princess. I have travelled much in other lands, but when the errand which called me away was accomplished, like my hon. friend from Manitoba, the desire came to be back in "my ain countree," for when I saw the people of the Old World, under every form of government there, even that of our Queen, suffering from want and poverty, crowded into narrow limits, how I wished for them the occupation of our great forests and prairies, waiting to give them back that sustenance which the axe and plough may demand. Most of us here have been born in other lands, or the sons of those who were. They, or we, know what it was to suffer and to wait; what to bear the heavy burdens of the struggles of the old European nations, and how should we aid those who are ready to drop these burdens and aid us in opening up this land. Let us not keep those waiting for our slow movements; let the influence and power of this body be felt, by giving once, and for the greatest measure ever brought before it, an unanimous vote; let not the voice of party be heard and perpetuated in a division here! And what a change here since the time when first I crossed the Atlantic, and also my hon. friend from Kent, in the old sailing tubs of some 60 or 80 days. And then the tramp on foot, or ride in rude waggon, where now comfortable cars await the comers with a welcome, where in other years it was a repulse, and the old motto of know-nothingism, that "no Irish need apply" was then general. Out of the wild agitation, which there, vicious land laws, and some unreasoning landlords, have evoked, there will be another exodus, and we should open our doors to receive it. In Germany, France, Russia, the unrest of their people can find quiet and prosperity in our widely extended lands. The spinners and weavers of Lancashire and Paisley can find employment in our mills. They want what we have, and we want what they have. Let the reciprocity of labor and possession be established, and it will never be abolished, and if you issue the letters patent, 'twere well, 'twere done quickly. I thank you, hon. Senators, for the patience accorded in my case, and trust that your vote will be such as to make this country all that its enemies desire it may not be, and all that its friends are determined that it shall be.

Hon. Mr. NELSON — Before the question is put, coming from the Province of British Columbia, I feel that I cannot give a silent vote on this measure. One hon. gentleman, in speaking to-night, cast, I think, certain reflections on British Columbia. He spoke of the great predictions that had been made with regard to that country, and of the prophecies of the great progress that that country would make in the future, and declared that these prophecies had not been fulfilled. I would beg to remind the hon. gentleman (who, I am sorry to observe, is not now present) and this House that these prophecies were based upon the fulfilment of the terms of union; and that hon. gentleman and this House know whether these terms have been carried out or not. He also knows that it was to a very great extent, if not altogether, due to the position of his party that they have not been carried out. In speaking on the question before this House, I intend, as far as I can in my humble way, to bring it before you from a point of view that it has not yet been exactly viewed from, and that is more particularly the British Columbian point of view. In the first place I wish to point out the character of the trade of the Pacific and the prospects for the future of that great ocean. I wish to remind you that the terminus of the great trans-continental railway that at present exists in the neighboring country is one of the great natural openings of the Pacific coast, and that no other opening exists for a distance of nearly seven hundred miles north along this coast that can be made the centre of any great commerce or the terminus of any great or through line of railway. That this great opening immediately after the discovery of gold in California and her golden sands sent out through it to enrich all portions of the world, was called the Golden Gate, and that it is at the present day the Golden Gate of Commerce through which the productions and manufactures of California and of the United States are sent out broadcast to the different countries lying along the borders of this great ocean and to the numerous islands studded like gems over its bosom. But, hon. gentlemen, we are to-day in possession, for all practical purposes, of another great gate, that will become, in the not distant future, as great, if not a greater channel for commerce, as the Golden Gate of San Francisco, I mean the Straits of Fuca, controlled and owned jointly by the Dominion of Canada and the United States. In the inland waters connected with this great natural passage there are magnificent harbors, both on the Canadian and American sides. I may say that the harbor that has been selected as the terminus for the Canadian Pacific Railway has not only no equal upon these inland waters, but it has no equal in point of extent of anchorage as in point of safety along the Pacific coast, and it is bound to become the great commercial port of the West, and can be made one of the safest ports in a military point of view that can be found in the world. This harbor is placed in the most advantageous position on the coast, as it is backed by the most extensive tract of agricultural lands in that portion of British Columbia. It is the centre of the lumber trade in that province, and it is in immediate proximity to the great coal fields on the opposite coast of Vancouver Island. Taking all these advantages into account, no better selection could have been made than the harbor of Burrard Inlet, and being a resident of that place, I do not know that anyone has more intimate knowledge of its advantages than I have myself. In referring to the subject of the commerce of the Pacific, I would direct the attention of hon. gentlemen to the rapidly increasing trade of the port of San Francisco, mainly brought about by the increasing trade of the other countries surrounding this great ocean, and of the numerous islands I have already spoken of as scattered over its bosom. I lived in San Francisco from 1855 to 1858, and I recollect well one of the first, if not the first, of the sailing ships that was sent out from there with a cargo destined for New York, and I well recollect the character of that cargo — rags, old iron and rubbish of every description, that had no market value in San Francisco, but could find a market in the east, no other market being available. I wish to point out the tremendous change that has taken place since that time. The character of commerce there at that period was mainly — in fact, I may say altogether — inward bound. Ships came there with cargoes and went away in ballast. But what is the fact now? A wonderful change has taken place, and the bulk of the commerce of San Francisco consists of the exports of California, aided partly by the manufactures of the United States, which come overland and are shipped to all parts of the world. Ships from every sea and of every flag, many of them in ballast, arrive at that port, and carry away the products of that country to Great Britain, China, Australia, South America, and north to our own British Columbia. I have here a paper published in San Francisco, which I might quote from to show the enormous amount of the exports and imports, and the immense trade, that is being done with the islands of the Pacific Ocean, but it is too late to-night to weary the House with them. I bring this matter before the House because I think that any delay upon the part of the Canadian Government in opening up our own line of railway through to the Pacific Ocean, is only putting it in the power of our American competitors to monopolize and retain to a large extent the great bulk of the whole trade and commerce of that immense ocean. In the speech of the hon. the late Secretary of State—for I think he it was —he referred to the statement often made that the building of the railway through to British Columbia was not to increase the burden of taxation to the Dominion. Now, hon. gentlemen, I find no such agreement in the terms of union. It does not appear there. The terms of union were made without any such condition, but afterwards such a condition was, I believe, forced upon the Government of the day by the Opposition, but British Columbia is in honor bound by that condition. At the same time I consider that the amount of money that has been spent on that railway has not increased the taxation of the Dominion. By referring to the public documents we will find that if it has done so at all, it has only been to a very slight degree. At the time that British Columbia was admitted into the Union, the total liabilities of Canada were only $115,492,682.76 — I take this from the Public Accounts—and at the end of the year 1879 these liabilities had increased to $183,974,753.85, making an increase during that time of $68,482,071.09 in the public debt, from the admission of British Columbia until the date I have spoken of. Now hon. gentlemen, let us see in what way that increase has been brought about, for the increose in taxation that hon. gentlemen complain of is due to that increase in the public debt. On referring to the Public Accounts we find that from 1872 until 1879 our canals — and certainly no canals have been built in British Columbia — cost the Dominion $16,853,633.07; Ottawa public buildings, $1,378,682.52; railways, $31,-

840,799.92 — a total expenditure for these items of $50,072,150.51 ; and of that sum only $11,251,977 was expended on the Pacific Railway up to the time I speak of, not a single dollar of which was spent in actual construction in British Columbia. I think when we take these matters in account, it cannot be claimed that the increase in taxation is due to the building of that railway, or that it is in any way due to any expenditure of public money in British Columbia. It has been frequently said in another place by members of the Opposition, and particularly by members from Ontario, that British Columbia and the other small provinces were milking the Ontario cow. I think, however, that the returns I have shown you are conclusive proof that such is not the case — that the great expenditure, especially for canals, has been in the Province of Ontario ; that the greater portion of the expenditure for railways has either been made in the Province of Ontario, or in the interests of Ontario and some of the older provinces, and that out of this vast sum only $11,251,000 has been expended on the Pacific Railway. While I have every respect for that very fine animal, "the Ontario cow," I do not think that, if we examine the Public Accounts thoroughly, it will be found that that very excellent animal pays for the Dominion fodder which she consumes. In this connection I wish to point out, what I think is not generally recognized, that, notwithstanding the nonfulfilment of the terms of Union and the state of suspense in which British Columbia has been kept, the people being prevented thereby from embarking their capital in many kinds of industries, the increase of the revenue of that Province has been something wonderful. I have before me a return of the revenue from Customs and Excise in British Columbia for the last six months, and I find that it amounts to $352,000 ; at the time that we entered the Union our whole annual revenue did not amount to more than $327,000. It has been the practice of hon. gentlemen—some in this House and some in another place — to describe British Columbia as an inhospitable sea of mountains — a barren, worthless country, having a still more worthless population ot some 10,000 to 12,000 whites. I think, hon. gentlemen, these results show that at least one of those two statements cannot be true. For my part, I am willing to accept the idea that the population is a small and worthless one, for by accepting that idea it magnifies the value and importance of the country. A province with a small and worthless population that is capable of producing such magnificent results as I have shown here, must be a country worth building a railway through, apart from the importance of its position on the Pacific coast. The hon. member from Ottawa, (Mr. Scott), has told us that the line through Manitoba when constructed would be a paying road. I am exceedingly glad to hear that such is his belief. I recollect myself, not very long ago when, the idea of that or any other portion of the Pacific Railway being a paying one was ridiculed as absurd by gentlemen of the Opposition. But the hon. gentleman went on to tell us that the line through British Columbia could not pay. I was very sorry indeed to hear that, but I do not know what particular knowledge that hon. gentleman can be possessed of that other hon. members of this House do not possess — and particularly hon, gentlemen who come from British Columbia. These hon. members believe in the mineral wealth and other great natural resources of the province ; they believe that in the interior of that country between the Cascade Range and the Rocky Mountains , a large area of very fine wheat growing land is to be found, which will in the future furnish a very large trade for this railway In addition to that, they believe that the building of this railway will increase our population rapidly, and will materially aid in the development of the mineral resources of the country. I am not aware that the hon. gentleman has travelled over that Province, as I and others have done. I do not believe he has ever travelled over the Union Pacific Railway; but if he had travelled over that route he would have found that, after he left the Platte Valley, and until he got through the Rocky Mountains and Sierra Nevadas, and descended into California, he had passed at a tremendous altitude over what might be termed a barren waste, a country lying continuously for a distance of some twelve hundred miles, at a higher altitude than the highest summit of the Canadian Pacific, and apparently of the most worthless character, and yet, upon which, along the line of the railway, towns and villages have sprung up, having all the evidences of business ah3 prosperity, and he would have wondered when he looked upon the country by which these were surrounded, what gave them this life and vigor, and where the enormous way traffic of the line of railway that passed through this country came from. But the building of that railway through the country described, created all this traffic. The mines of that country have been developed by its means, where none were known to exist before, and the results of this have been something magical. I was just looking to-day over some returns of the Central Pacific (the Union Pacific is not included) and the local traffic of that line is something like six times as great as the through traffic, and the freight carried on that road last year amounted to about 2,000,000 tons. I presume that the traffic over the Union Pacific Railway was equally great, and the proportion of local to through traffic was equally large. In speaking of this Syndicate question, I think we can look at the opposition to this contract as only a portion of the persistent and unpatriotic opposition, that has always been given by the party opposed to the present Government to the building of this great overland route across the continent, and that, if any other scheme had been proposed, no matter what its character, the same party furore would have been raised against it. When it was proposed by the present Government to continue the work as a a Government work in the absence of being able to arrange with capitalists for its construction, we all know the feeling that was attempted to be raised against it, and the pictures of ruin and disaster that were portrayed. I am glad to see the change that has taken place in the opinions of these hon. gentlemen in regard to the value the lands in the North-West though at the same time I do not wonder at that change in value, and which to a certain extent I am prepared to admit—a change which they contributed in an involuntary manner to bring about by one of the greatest acts of their official career—their retirement from office. So long as they occupied the Treasury benches and pursued their milk-and-water or rather water-stretches policy, the lands were of no value. But when another pilot was placed at the wheel, and the ship of state was steered by a steadier and more experienced hand in a different course; when it was manned by a crew in which the people have confidence, the natural consequence was that our lands increased in value, and no greater cause for that increase can be found than the very fact that the Government have entered into the contract with the Syndicate, and I ask hon. gentlemen what would be the effect on the value of the lands of a defeat of the measure before the House? Would not our lands become in effect almost worthless again? The inevitable result of rejecting this contract would be, in my opinion, the defeat of this Government and its consequent retirement from power, and with its retirement the defeat of this great project for years to come. I wish to say a few words on the subject of exempting the road-bed and property of the Company from taxation. There is is a clause in their charter which enables the Government to reduce the rates when the profits of the Company exceed ten per cent. per annum on their actual outlay. This taxation of the roadbed and property can only affect the company favorably so long as the profits arising out of the working of the railway are under ten per cent. on the actual outlay, because such taxation would only reduce the profits, and higher rates would have to be charged to reach the ten per cent. limit; hence this exemption is only valuable to the Syndicate so long as the operation of the road is not fairly profitable to it, and can be made to cease as soon as a fair profit can be derived by the action of the Government in accordance with this clause in the charter. Then, with reference to the exemption of their lands from taxation, I think the Government has got the advantage of the Syndicate in this part of the bargain. I think, if I had been acting for the Syndicate, I should have insisted upon having these lands free from taxes without any time limit until they were sold or occupied. Twenty years is a short period for placing 25,000,000 acres of land on the market, and, in reality, the time will be but ten years—after the completion of the railway—for a large portion of it. The Syndicate and the country will be fortunate indeed if all these lands are settled 20 years hence. The Syndicate will act, to all intents and purposes, as a powerful emigration agency in the settlement of these lands, and relieve the country of a heavy expense, while the country will have the benefit of a continually increasing revenue from a rapidly growing population. There are other points on which I would like to speak, but as it is now midnight, and the House is weary, I will protract the debate no longer.

The House divided on the amendment of Mr. SCOTT — that the Bill be read this day three months — which was rejected by the following vote : —

CONTENTS :

Hon. Messrs.

Baillargeon,
Brouse,
Bureau,
Chaffers,
Cormier,
Grant,
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Haythorne,
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Lewin,
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McMaster,
Paquet,
Pelletier,
Pozer,
Reesor,
Scott,
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Wark.—20

NON-CONTENTS :

Hon. Messrs.

Aikins,
Alexander,
Allan,
Almon,
Archibald,
Armand,
Bellerose,
Benson,
Botsford,
Boucherville, de
Bourinot,
Boyd,
Bull,
Campbell, Sir Alex.
Carvell,
Chapais,
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Dever,
Dickey,
Dickson,
Dumouchel,
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Guévremont,
Hamilton (Inkerman),
Hamilton (Kingston),
Howlan,
Kaulbach,
McLelan (Lond'nd'ry),
Macdonald,
Macfarlane,
Macpherson (Speaker),
Miller,
Montgomery,
Nelson,
Northwood,
Odell,
Read,
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Smith,
Sutherland,
Trudel,
Vidal.—47.

The Bill was then read the second time on a division — Contents 47, non-contents 20.

BILL INTRODUCED.

Bill (39), "An Act to amend the Insolvent Act of 1875 and amending Acts.," —(Mr. Macfarlane).

The Senate adjourned at 12.20 a.m.

THE SENATE.

Monday, February 14th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

THE BEVERIDGE AND TIBBITS' CLAIM.

MOTION.

Hon. Mr. ODELL moved : —

"For the appointment of a Select Committee to inquire into the circumstances connected with, and the cause of the non-payment of a debt, devolving upon the Dominion Government by the British North America Act, and now due to the Hon. Benjamin Beveridge, James Tibbits, and others, the liability for which appears to have been acknowledged by various Orders in Council, and payments made on account, both by the late and present Administrations, but no final settlement arrived at, and that the said Committee be composed of the Hon. Messieurs Miller, Lewin, McFarlane, Bureau, Brouse, Carvell and the mover, with power to send for persons and papers."

This matter was deferred on account of the debate which took place on the Pacific Railway question, and partly on account of some papers which I expected, and which, I regret to say, have not up to this time been received. However, I do not intend to postpone it any longer. The motion which I have been requested to make has reference to claims of very long standing. I believe they originated some forty years ago. Hon. gentlemen are aware that for a number of years there was a territory in dispute between New Brunswick and the State of Maine, with reference to the boundary. That question was settled in 1842, under the Washington Treaty, and New Brunswick despoiled of a large extent of the territory. Then arose the question between New Brunswick and Quebec as to their boundary, which had also been of very long standing. After a great many preliminaries, a Commission was appointed to endeavor to agree upon some conventional line. That fell through — nothing was done. Subsequently the matter was referred to the Imperial Government, and it ended in a Commission being appointed to fix upon some conventional line, and an Act of the Imperial Parliament was passed, fixing that line and providing for a joint commission to be appointed, representing the Imperial Government, Canada, and New Brunswick, to run this line. The Commissioners were Lieut.-Colonel Robinson, of the Royal Engineers, Mr. Bouchette on the part of Canada, and the hon. member for Sackville (Mr. Botsford) on the part of New Brunswick. This line was run, and their report is dated in 1855. After the running and establishment of that line, a question arose with reference to claims for duties, and fines and penalties that had been imposed upon persons who had obtained licenses from Quebec to cut timber on this disputed territory. It seemed that Quebec and New Brunswick both claimed the territory, and both, to a certain extent, had been exercising jurisdiction over it. The Province of Quebec granted licenses to cut this timber; but New Brunswick, feeling that she had a claim to the timber as well as the territory, seized the timber and confiscated it to a certain extent, and claimed duties also upon it. These duties were partly paid, I think, in money, but chiefly by bonds which were given. It was understood that the funds arising from this territory should be held by both Governments, and separate accounts kept of them. New Brunswick, I believe, did keep separate accounts of it, but Canada, I am told, did not. However, to settle the question with regard to these claims, it was thought necessary to appoint a commission to investigate, and to ascertain what amount had really been received by New Brunswick, and what amount by Quebec on the part of Canada. A commission was then appointed, consisting of Messrs. Cutler and Dawson, with instructions to report upon this joint fund, and to ascertain the liabilities of each province, and their report is dated in April, 1856, in which they fixed certain amounts for each province. Then arose the question as to the appropriation of this fund to the different parties who had paid these extra duties, and been subjected to these penalties, and it was found necessary to appoint another commission. That Commission consisted of Mr. Harding on the part of New Brunswick, and Mr. Dawson on the part of Canada, and their instructions were to adjust these claims. They reported in November, 1856, specifying the several amounts which they considered to be payable to the different parties who were interested in the cutting of this timber. Then it appears, from all I can learn, the question after Confederation was brought before the Dominion Government, under the British North America Act, and some Orders in Council were passed with reference to these claims. These Orders in Council I have not had an opportunity of seeing, therefore I cannot speak with regard to them, but it is held by some that they adopted this report, and considered that that was to be final. However, difficulties still arose with regard to it, and the matter had again to be referred to in order to afford an opportunity to New Brunswick to be heard and to be made a party to this arrangement. Objections were raised then on the part of New Brunswick that Canada had not kept this account correctly, and that certain amounts were charged in them to which they could not agree. I ought to have stated, perhaps, with reference to the survey, that both parties were to bear equal proportions of the expense of it, and, if there was a surplus, that that was to be appropriated for some road, or something of that sort. However, that fund was insufficient, and when the accounts of the survey came to be audited, another question arose as to the apportionment of this amount, because it appeared that Canada had expended a larger sum than New Brunswick thought she ought to have expended, and therefore a question arose between them on that point. So it has been very much complicated. In the meantime, these parties who had claims upon the Disputed Territory Fund, applied to Quebec and Ontario to get an assignment from them of the claims which Quebec and Ontario had against New Brunswick, and succeeded in getting that assignment. The question therefore arises merely upon the amount which is supposed to be due by New Brunswick to Canada. To settle that another Commission was appointed consisting of Messrs. Heard from Prince Edward Island, King from New Brunswick, and Mr. John Lorne Macdougall on the part of Canada. They were to take up this question, and to report upon all these claims. After going into the matter, and hearing parties on all sides, two of these Commissioners, Mr. Heard and Mr. King, made a report reducing the amount very considerably below what it was supposed the parties were entitled to. Mr. Macdougall dissented from this, making a separate report, stating he could not agree to it, because he thought certain deductions had been made which ought not to have been made; and there the matter rests. The parties who had these claims say that the Commission went beyond their powers — beyond the reference that was made — and that they made deductions which they had no right to make; and hence they object to the award. After the long period during which these claims have been pending, the parties feel that it is time now some steps were taken to bring the matter to a close, and if these moneys are really due to them, it appears to me they ought to be settled. If they are not, let the matter be put at rest in some way or other. The reports of these different Commissioners, if the House wishes, I can refer to, but I have no wish to inflict any long statement on the Senate with regard to them. They are here, if the House wishes to refer to any of them; but, unless some reference can be made to all this documentary evidence connected with these inquiries and the Orders in Council, it appears to me no just conclusion could be arrived at, and it is with that view I have asked for the appointment of a committee to inquire into the matter.

Hon. Sir ALEX. CAMPBELL — I fear that my hon. friend who has made this motion, even if the House should see fit to grant the committee, would not be able to make any progress in the inquiry. In order to explain this to the House, I must mention that this claim has formed the subject of one or two inquiries, and of a reference to arbitrators ——

Hon. Mr. SCOTT — Eight or ten inquires.

Hon. Sir ALEX. CAMPBELL — That claim is resisted by the Province of New Brunswick and if it should be paid by the Dominion, the amount would be charged to that Province. Therefore the Province of New Brunswick has taken an active part in resisting the claim, and they were the active resisters on the occasion of the arbitration to which I have referred. An award was made by a majority of the arbitrators, and the Government have been prepared, and are prepared to pay, but those who are interested in the amount say that the arbitrators went beyond their jurisdiction, that their inquiry therefore is not satisfactory, and that the amount is not so large as that which those concerned are entitled to get. But it was the award of a majority of the arbitrators, and the Province of New Brunswick resists any further payment. Manifestly, therefore, if this committee should be granted by the House, the Province of New Brunswick would not be heard before the committee. The Legislature of New Brunswick is sitting at this moment, and those who would be likely to be the only persons entrusted by the Government of New Brunswick with their defence in this matter are engaged in the business of legislation in the Province, and could not very well come to Ottawa to appear at the investigation. The Committee, if granted, could not come to any conclusion without hearing New Brunswick, and hearing it in the manner in which it would like to be represented. On the other hand, the Government could not possibly acquiesce in a decision arrived at unless New Brunswick were represented — could not acquiesce in a decision without the fullest opportunity being afforded for the views of that Province being heard. I, therefore, put it to my hon. friend whether, under these circumstances, it is best for him to press the motion which he has made? Would it not be better to drop the motion for the present, and take some other means of arriving at a conclusion, or to make the motion at some earlier period during the next session of Parliament?

Hon. Mr. ALMON — The arguments of the hon. leader of the House have, to my mind, just the opposite direction which he intends them to have. If the Province of New Brunswick is oppressing individuals and refusing to pay them, it is our duty to step in, as this House ought to be the protector of the weak against the strong, and a committee ought to be granted. If the committee should report that the Province of New Brunswick owes individuals a sum of money, certainly it is our duty to say so, and I have no doubt there is law enough in the Dominion to make them pay it. I think in that case we should step in as the protector of the weak against the strong, and grant the committee. Whether a committee would decide in favor of the petitioners or in favor of the Province, I know not, but certainly it does sound strangely to Anglo-Saxons to be told that, because a powerful body resisted a petition, that, therefore, it should not be granted. To my idea, and to the minds of some hon. gentlemen near me, it does not commend itself to our feelings.

Hon. Mr. MACFARLANE — Although seconding the motion, it certainly seems to me that, after the statement made by the hon. the leader of the Government in this House, one can scarcely see what benefit will result from the investigation. It seems to me that, while it would not be fair to proceed with the matter in the absence of representatives of New Brunswick, that it is quite possible for that Province to be represented. It is scarcely necessary that members of the Government of New Brunswick should be present; they could employ a legal gentleman to attend to their interests. If, however, as the hon. the Postmaster-General says, the Government would not feel themselves in a position to pay any sum that a committee might find to be due, unless the Province of New Brunswick were satisfactorily represented at the investigation, I can scarcely see what object is to be gained by pressing for the appointment of a committee. There is no doubt it would be a laborious matter, from the account given of it by my hon. friend. The claims have been long pending, and there certainly appear to have been great hardships. There would appear to be no reason why the petitioners, having a just and equitable claim by the old Government of Canada or the New Brunswick Government, should not receive their money. I am not acquainted myself with the minutiæ of the claim, but as it rests largely with the Government whether an investigation is to be granted, or the report of a committee acted upon, I do not think it advisable to press the motion after the explanation which has been given by the hon. the Postmaster-General.

Hon. Mr. ODELL — As this is a matter connected with New Brunswick, I should be sorry to do anything that would interfere with their rights in any way. I confess I feel that there is a good deal of point in the argument made use of by the hon. the Postmaster-General that New Brunswick ought to be represented and heard in the matter. But at the same time, I desire to ascertain if the Government will give any assurance whatever that this long pending question will be brought to a satisfactory conclusion within a reasonable time. Of course I cannot expect that the Government would take up a matter of this kind during the session, but they will possibly be in a position to state whether during the recess active measures will be taken to arrive at a decision, and, if so, I should be willing to drop the matter at present.

Hon. Mr. MILLER — There is no doubt that the observations that have fallen from the leader of the House have presented this matter in an unexpected aspect to gentlemen who take an interest in it. Under these circumstances, in addition to the remarks which have fallen from the hon. gentleman who has just resumed his seat, I should like to know whether the Government are willing to hold out any encouragement that a fair consideration of this claim is to be given without the intervention of a committee of this House. Unless my hon. friend opposite is prepared to give some assurance of that kind, I would suggest that the hon. member who has charge of this motion might allow it to stand for a day or two, in order that some consultation might be had with the parties who are interested in this claim.

Hon. Sir ALEX. CAMPBELL — Perhaps that course would be best.

Hon. Mr. BOTSFORD — The difficulty respecting this question is that it is really a matter between the Province of Quebec and the Province of New Brunswick. It is a claim of long standing which has been in dispute for many years. I think it came up first in 1856, and it arises out of what was called the disputed territory fund. Unfortunately for New Brunswick, they kept an exact and detailed account of the fund which accrued from licences to cut timber, and from duties imposed by the Government upon timber cut upon the disputed territory, and penalties imposed upon persons who went upon this disputed territory contrary to the Orders in Council of the Government of New Brunswick. An adjustment of this fund was to have been made between New Brunswick and Quebec. I happen to be in a position to state positively that I was informed by the Attorney General of the then Government of Canada that they had kept no distinct and separate account of this disputed territory fund, but that Government had issued licenses, and timber was cut under those licenses on this disputed territory. Now, the difficulty is that this matter has been referred to arbitration, as named by the hon. mover of this resolution; the arbitrators have arrived at an award, and whether justly or unjustly they have awarded that New Brunswick is indebted to this fund in a certain sum of money. That amount is questioned by one of the arbitrators, who refuses to sanction it. But the parties to whom this award is to be paid — the parties who paid this double duty for timber cut upon this disputed territory — are not satisfied with the amount; but the difficulty in settling this question is that the Government of New Brunswick are not willing to pay a greater sum than that awarded by the arbitrators. From the manner in which they proceeded with this investigation, and the negotiations that have taken place from time to time between the two provinces, I feel certain that the Government of Quebec obtained an advantage over New Brunswick. They had a more able negotiator in the first place, and they had not kept a detailed account of the disputed territory fund. All that they had to do was to refer to the Public Accounts and Journals of the Assembly of New Brunswick to know exactly the amount of money that was in the hands of that Province from the disputed territory fund. On the other hand, when the Journals and Accounts of Quebec were investigated there was no disputed territory fund account to be found. The difficulty with the Dominion Government is this: unless they are prepared to pay the difference between the amount which the arbitration have awarded and the amount claimed by the parties interested, I fear that the claimants will not be in a position to get it from New Brunswick for the reasons I have given, as it will be resisted by that Province.

Hon. Mr. DeBOUCHERVILLE — Will the hon. gentlemen have the kindness to tell me when that indebtedness was incurred?

Hon. Mr. BOTSFORD — It was incurred four or five years previous to the defining of the boundary between Quebec and New Brunswick.

Hon. Mr. DeBOUCHERVILLE — That was before Confederation.

Hon. Mr. BOTSFORD — Certainly, this whole matter was one that occurred before Confederation. It is, really, a question between the Provinces of Quebec and New Brunswick. New Brunswick feels that she has got the worst of the arrangement. I feel certain that she will not pay any more than the award that was given by the arbitrators, and, therefore, it is a question on which, it seems to me, the Committee could express only an opinion; but they could not express that opinion without having before them and hearing the representative of New Brunswick. I must confess, on looking at this question, and knowing it from its inception, that there is no remedy; that the parties will be compelled to take the money which has been awarded to them by the majority of the arbitrators; that any investigation made by a committee of this House will have very little weight with the Government of New Brunswick, who feel that New Brunswick has been wronged in this matter, and will only pay as little as possible.

Hon. Mr. SCOTT — It is a good many years since the circumstances connected with this very vexed question have come under my notice, and I have a very vivid recollection of some of the facts. As far as my memory serves me, there are several points on which my hon. friend is in error. In the first place, it is not a matter between Quebec and New Brunswick, but it is one between Quebec and Ontario on the one side, and New Brunswick on the other. I think the whole difficulty has arisen from the obstinacy of New Brunswick in refusing to recognize the Dawson award. One of the gentlemen acting on the arbitration was elected for a constituency in 1863 or 1864, before he had signed the award, and therefore he was incapacitated from doing so; but the Government of the day agreed that the award should be recognized in so far as Canada was concerned. It was a very long inquiry, occupying months altogether. The difficulty arose then that Quebec claimed that this disputed district belonged to that Province, but the timber that was cut upon it, under license from the Province of Quebec, when it passed down the river into the Province of New Brunswick, was seized by the Government of the latter Province. This went on for three or four years, and the parties at last settled with New Brunswick by paying extortionate rates of tolls, with penalties added. When the question of the boundary was settled between the two provinces, it was found that a very considerable portion of the territory in dispute belonged to the Province of Quebec. If New Brunswick was justified in seizing this timber, there could be no award against her; it was because New Brunswick had acquired money that did not belong to her on the timber cut in this district while passing through that province that this award was made against her. In consideration of the great trouble, litigation, expense and many losses sustained by the parties who insisted upon standing by their rights, the Province of Quebec was content to relinquish nearly the whole of the money coming to them.

Hon. Mr. AIKINS — The whole of it.

Hon. Mr. SCOTT — Canada relinquished hers in consideration of the large amount of expense and annoyance that those parties had undergone by having their timber seized and held by the Province of New Brunswick. Now we come down to the award that was made between 1863 and 1866.

Hon. Mr. ODELL — Which award?

Hon. Mr. SCOTT — The award Mr. Dawson was a party to.

Hon. Mr. ODELL — Do you mean the award of Dawson and Harding?

Hon. Mr. SCOTT — Yes.

Hon. Mr. ODELL — That was in 1856.

Hon. Mr. BOTSFORD – After the boundary was settled.

Hon. Mr. SCOTT — Yes, in 1856, I think it was. Under that award, part of the money has been paid, from time to time, to the parties. In the last seven years they obtained the interest on the moneys allotted to Ontario and Quebec, and the Dominion subsequently paid some of those moneys. There is no doubt that there is still a balance due on the basis that Ontario and Quebec have paid — on that basis there is a certain amount, either for principal or interest, and there certainly is an amount due by New Brunswick. That is practically the position to-day. Of course it is a matter of very great delicacy on the part of the Dominion to insist on the payment of this amount; still, I think we can find a precedent for such arbitrary action when a province resists paying its just dues. I cannot, at this moment, quote precedents; but I think I could very soon, if an opportunity were afforded, cite cases in which the Dominion withheld moneys that they considered due by provinces in certain cases. It does not seem to me that a committee should be appointed in this matter. A committee could do nothing, of course, and I assume that if the facts were made clear that New Brunswick should pay a still further sum, she would not resist, unless some good grounds were shown why she should be exonerated from it. They could only go into the examination of facts, and, afterwards, if it were proved that New Brunswick was liable for the amount claimed, means might be found to compel that Government to pay it.

Hon. Mr. BOTSFORD — It was under united Canada that this transaction took place; but the hon. gentleman was entirely in error in stating that the territory belonged to Canada. A compromise was made by the Commissioners, which gave nearly equal portions of the disputed territory to each province. A great deal of this timber was cut on the disputed territory which was finally adjudicated upon by the Commissioners to whom the subject was referred; an Act of the Imperial Parliament was passed to ratify the decision of the Commissioners, and a great deal of that territory went to New Brunswick, to my knowledge, under that decision. If I understand the question rightly, we have not yet understood that New Brunswick has refused to pay the amount of the award.

Hon. Sir ALEX. CAMPBELL — No; they are ready to pay the award.

Hon. Mr. SCOTT — With interest?

Hon. Sir ALEX. CAMPBELL — I do not know that.

Hon. Mr. BOTSFORD — If New Brunswick has not refused to pay that award, I do not think any censure should be passed on that Government, as I suppose they had the right to be governed by the decision of the last arbitration in this case. Therefore, if New Brunswick is prepared to pay that award, I do not see by what means the Government of the Dominion can enforce the payment of any further sum.

Hon. Mr. SCOTT — I think that eighteen or twenty years ago Mr. Langton investigated this matter and made an elaborate report in which he gave the fullest and most reliable information that is to be had on the subject.

Hon. Sir ALEX. CAMPBELL — The question of interest is incident to the award; but there is no question of interest on the award. The question raised in dispute is in reference to the conduct of the arbitrators. The assertion is that they did not pursue the investigation in the mode they ought to have done, and that if they had done so they would have arrived at a different conclusion. Still the award is there, and the Government has offered to pay it on behalf of New Brunswick. My hon friend from Richmond (Mr. Miller) has appealed to me, if the Government is not ready to make some promise with reference to this matter. If it were a question in which the Government of the Dominion was alone concerned, and I thought it proper to do so, I would be in a position to make such a promise; but this is a matter that concerns not only the Dominion, but the Province of New Brunswick also, and I cannot make any promise, in advance, of what that Province is ready to do; therefore I am unable to say that the Government will, or can, arrive at any different conclusion than that we have arrived at now. I shall say this to my hon. friend: if it will meet his views and the views of the hon. mover of this resolution, that I shall undertake during the recess that the Government will press it upon the notice of the Government of New Brunswick, and endeavor to get them to make some further inquiry into it. The House will see that if the money is paid out of the Dominion treasury on this claim, it must be paid on behalf of the Province of New Brunswick, and, therefore, we must proceed in conjunction with that Province. To grant a committee, and that committee to pursue an inquiry at great length, without the representation that that Province considers necessary, would, I am sure, be without any result, and I am not sure that it would arrive at such a conclusion as my hon. friend would like, in the interests of those whom he represents.

Hon. Mr. ODELL — I do not feel inclined to press this matter against the opinion of the Government. I quite agree that, if the question was to be opened up again, New Brunswick ought to have a voice in the matter. Taking that view, I am willing to accept the offer of the hon. the leader of the Government, and I hope, both as regards New Brunswick, and as regards the parties who have this claim, that there will be no occasion to bring it up again, and that something will be done to settle the matter during the recess.

Hon. Mr. ALMON — If the motion has been seconded, I must insist on the question being put. Individuals have come here, and have asked for the appointment of a committee of inquiry, and whether the party they have a claim against is a powerful province or not, I think it is our duty as a Senate to grant it. I think that this matter should be inquired into the more because the individuals are weak, and the Province is strong. We would be losing our legitimate influence by not granting it, and I therefore, insist upon the question being put that the committee be appointed.

Hon. Sir ALEX. CAMPBELL —I think as those who are interested in the matter are willing to withdraw it, that my hon. friend should be satisfied.

Hon. Mr. ALMON — It is the principle that is involved. I do not know anything about the merits of the case; but I think when private parties come here and ask for a committee it is no reason for refusing it to say that the other side is a powerful province.

The motion was withdrawn.

BILLS INTRODUCED.

The following Bills from the Commons was introduced and read the first time: —

Bill (50) "An Act to correct a clerical error in schedule B of Act 43 Vic., chap. 22, to amend the Banking Act and continuing the charters of certain banks." — (Sir Alex. Campbell.)

CANADIAN PACIFIC RAILWAY BILL.

IN COMMITTEE.

Hon. Sir ALEX. CAMPBELL moved the House into Committee of the Whole, on Bill (37) "An Act respecting the Canadian Pacific Railway."

Hon. Sir ALEX. CAMPBELL moved the adoption of the first clause.

The SPEAKER (Mr. MACPHERSON) — I desire to address the House upon this question. It was my my intention to have done so on the second reading of the Bill, but I did not wish to take the floor from any other gentleman, and, by the close of the debate, the evening was so far advanced that I thought I would best consult the convenience of hon. gentlemen if I postponed what I had to say to this stage of the Bill; and while it is rather contrary to rule to discuss the principle of a bill in Committee, I hope the House will bear with me while I do so. The enterprise referred to in the Bill is one that I have taken a deep interest in since its first inception. Since the Canadian Pacific Railway was first projected, I favored the carrying out of this work through the instrumentality of a company. When the Allan Company failed to carry out their project, and when I foresaw that great delay was likely to ensue, I became in favor of certain portions of the work being constructed by the Government, and I moved resolutions in this House recommending that the prairie section should be proceeded with as a public work, and extended in advance of settlement. I also recommended making a beginning in British Columbia, in fulfilment of the agreement which Canada had made with that Province. I then said that all that was required, all that the interests of the country at that time demanded — which, by the way, was eight or nine years ago — could be done without bearing too heavily on the public exchequer; that what might be described as a colonization railway, might be built over the prairies, and certain progress made in British Columbia, and while that was being done, the eastern part of the line, from the Red River to Lake Nipissing, might be surveyed, so that when a considerable population had settled on the prairies, and an outlet through our own country became desirable, we would know where the best and most economical line could be constructed. I believe still, hon. gentlemen, that that would have been the best plan. I believe, if the course I recommended at that time had been adopted, that millions of money would have been saved, and that the railway would have been 200 or 300 miles further advanced westwards than it is at present. My recommendations, however, were not adopted, and soon after I submitted them, a change of Government took place. I shall refer to the historical facts as briefly as I can. A change of Government took place, and Mr. Mackenzie's Administration determined to proceed with the construction of the line between Lake Superior and Red River, known as the Lake Superior Branch, the Pembina Branch and the Georgian Bay Branch.

It was the intention of that Government to use the water stretches between Lake Superior and the Red River, and with that view they commenced the Fort Frances Lock. After a time that work was discontinued. The construction of the Lake Superior and Red River section however was continued, and its two ends, each of 113 miles, were placed under contract. Hon. gentlemen, such was the state of the Canadian Pacific Railway when the present Government succeeded to power, and were required to frame a policy for that great enterprise. They determined to cancel the contract for the Georgian Bay Branch. They proceeded with the Pembina Branch, which had been placed under contract by their predecessors, but on which, after the roadbed had been constructed, the work was suspended because the American line had not been brought up to the boundary, and therefore Mr. Mackenzie did not see fit to finish that branch until there should be the prospect of a connection with the lines to the south. Whether good policy or not, the work was suspended, but was resumed after a time, and was finished by the present Government. This Government also felt bound to complete the section between Lake Superior and Red River, and they accordingly placed the middle section of 185 miles under contract. They also placed under contract a section of 126 miles in British Columbia. In their opinion the country was committed and pledged to proceed with the railway in that Province — a work to which the very troth of the country was plighted at the time British Columbia entered the Dominion; and when Mr. Mackenzie succeeded to power he entered into negotiations with British Columbia which resulted in the adoption of what is known as the Carnarvon Terms; and his Government, I may say, affixed anew the seal of Canada to the treaty with British Columbia. The works which are constructed and under contract between Lake Superior and the Red River are estimated to cost, when completed, $15,048,000, exclusive of surveys and equipment. The section placed under contract in British Columbia — let on tenders called for by Mr. Mackenzie's Government — is estimated to cost $7,950,000. Miscellaneous items may be added to the extent of $1,000,000, which will make these works — that is the Pembina Branch, the Lake Superior and Red River Section, and the British Columbia Section — cost $24,000,000, exclusive of equipment and surveys. Now, hon. gentlemen, this is a very large expenditure, and it is an expenditure to which the present Government, when it succeeded to power, found the country irrevocably committed, and it became their duty to see how it could be utilized — how it could be turned to profitable account for the country. The section between Lake Superior and Red River was of course constructed for the purpose of affording an outlet for the trade of the prairies, and a way in for settlers, and for giving improved communication generally between this portion of Canada and our North-West Territories. But while that section was proceeded with no progress was made with the railway across the prairies themselves, so that, while a very large expenditure had been incurred upon it by our predecessors, no progress had been made by them in opening up and peopling the prairies themselves. The present Government felt it necessary that that should be promptly done, as, until it was done, the Lake Superior and Red River section would be almost useless. And when the prairies are opened up with railways, the Lake Superior and Red River section will afford but a very inadequate outlet for the trade of the North-West. It will only be a summer line, operated during the months of navigation, and I think that Lake Superior is only open from five to six months. Even if the Sault Canal should be open for six months or longer, Superior is a stormy lake, and the risk and the cost of insurance against risk will be such as to prevent its being used for more than from five to six months. Owners of produce, who are sending it forward to meet drafts maturing in Montreal or New York, will not like to expose it to the risk of delay, or possibly of wintering on Lake Superior. The Lake Superior and Red River section, therefore, will afford, when completed, but inadequate communication for the trade of the prairies. That section is really a part of the eastern section of the Canadian Pacific Railway, extending from the Red River to Lake Nipissing, and touching Lake Superior at Thunder Bay. Until that section is finished throughout and connected with the existing system of Canadian railways near Lake Nipissing the communication with the prairies will be inadequate, and the trade even during the summer months will be largely diverted to the United States routes, and away altogether from Canadian channels. While Lake Superior is open that route will be useful for the purpose of carrying immigrants into the North-West, but it will afford a very inadequate service. For these reasons, hon. gentlemen, the completion of what I shall call the eastern section — that is, the section from the Red River to Callendar Station, on the Canada Central Railway, near Lake Nipissing — became a national necessity. It has been admitted by all who have taken part in the debate in this House, that the extension of the line across the prairies was a matter of primary necessity, and one of the first things done by the present Government was to commence to build the railway over the prairies. Second only to that in importance at this late day is the completion of the eastern section, commenced by our predecessors, and of which 410 miles will be finished next year. It became a very important question whether these works should be carried on by the Government or through the instrumentality of a company. If constructed by the Government, they must be paid for wholly in cash. The cost of these works — that is of the line from Red River to Kamloops, and from Lake Superior to Lake Nipissing — would not have been less than $50,000,000. I say from Red River to Kamloops because I have no doubt whatever, and I am sure hon. gentlemen will agree with me, that if the Government built the line across the prairies as far as Edmonton they would be constrained to proceed with it until they connected it with the British Columbia line at Kamloops; therefore an expenditure of $50,000,000 had to be contemplated; and I say again, that it became the duty of the Government to consider whether the railway should be constructed as a Government work and paid for wholly out of the public exchequer, paid for wholly out of the pockets of the present taxpayers of the Dominion, or whether they should invite the co-operation of a company who might be induced to take part of the consideration — part of the cost of constructing and operating the railway — in land. Now, this is the shape in which the question presented itself to my mind, and I say here, that I had no hesitation whatever in deciding which I considered most for the advantage of this country. It would have been a most serious responsibility to have entered upon an expenditure which must have amounted to not less than $50,000,000 in a comparatively few years. It would have involved a very large addition to the Dominion debt, which already has attained to large proportions. It would have placed a heavier burden than would have been judicious upon the taxpayers of the country. Well, hon. gentlemen, the Government resolved to seek the assistance of a company which would take part of the consideration in land for building the Pacific Railway and for operating it for ten years after its completion. I believe, hon. gentlemen, that an overwhelming majority of the people of this country are of the opinion now that that decision was a wise one. I believe that in a very few years those who think otherwise now will entertain different views; that they will agree then with those from whom they differ at this moment. The Canadian Pacific Railway will be largely for the benefit of posterity. It will take ten years to complete it, and the country will necessarily take a long time to settle; so that it is perfectly true to say that it is mainly for the benefit of posterity. I was anxious, therefore, that as large a portion as possible of its cost should be cast upon posterity. Whatever cash is paid out of the exchequer of this country is withdrawn directly from the coffers of the taxpayers, and from employment in the industries of the Dominion. The operating of this railway is guaranteed for twenty years by the contract, and no one pretends to say that for some years the operating will not involve loss. I hope, for the sake of the contractors and for the sake of the country, that that loss may be small. If it should be small, that fact will be the best evidence we could have that the country will have benefited enormously from the construction of the railway. But whether the amount be large or small it will have to be borne by the Syndicate or Company, and not by the taxpayers, as would be the case if the railway were to be built and operated by the Government. The effect of the Government arrangement is to pay for twenty-five millions of dollars' worth with land which has no present value, and to save the taxpayers $25,000,000 of money. The Syndicate has undertaken to perform work that will cost $50,000,000, for which the country will only pay $25,000,000 in cash. One half the cost will be paid in land which has no present value, and which will derive its future value from the expenditure of the Syndicate. Their expenditure will also confer great value on the Government land and cause it to yield much more than enough to recoup the whole expenditure of the country. This contract has been compared with previous contracts and previous offers so frequently and ably that I shall allude to them in the briefest possible way. The contract which is now upon our table proposes to give the works that have cost the country $28,000,000, and a cash subsidy of $25,000,000 (in all $53,000,000), and a land subsidy of 25,000,000 acres, which for the purpose of calculation I shall estimate at $1 per acre, representing $25,000,000, and making altogether $78,000,000. The Allan contract was for $30,000,000 cash, and 54,700,000 acres, including 4,700,000 acres for branches, which at the same rate of $1 per acre, gives $54,700,000, making altogether $84,700,000. Mr. Mackenzie's terms were, cash $10,000 per mile, which, calling the distance 2,726 miles, this would amount to $27,260,000. I estimate the sum on which Mr. Mackenzie would have been willing to pay 4 per cent. per annum for 25 years as equal to $5,000 per mile, or $13,630,000, making the cash subsidy $40,890,000. Then the land subsidy of 20,000 acres per mile, or 54,520,000 acres for the entire distance, which, at $1 per acre, would amount to $54,520,000, making altogether in cash and land, $95,410,000. It will be seen from these figures that the terms offered by the late Government were really more liberal than the contract made with Sir Hugh Allan, and there is a very obvious reason for that. The Allan contract, which has been spoken of here and elsewhere as a model contract, really came to nothing. Sir Hugh Allan and his associates in the undertaking did not succeed in floating the company. The presumption is that it fell through because the terms which Sir Hugh obtained from the Government were not sufficiently liberal in the opinion of the capitalists of Europe; and Mr. Mackenzie might feel justified in offering better terms, so that if a company entered into contract with his Government, that company would be pretty certain to succeed. But it will be seen that the most favorable of all the contracts which have been concluded or offered is the one which now lies upon our table — estimating the land, as I have done in every instance, at $1 per acre — and the higher the price put upon the land the more favorably will this contract compare with the others. Now let us see what this country is really offering to give to the Syndicate under this contract. It is proposed to give in lands and money $53,000,000; assuming the whole distance from Lake Nipissing to the Pacific Ocean at 2,726 miles, the cash subsidy amounts to only $19,443 per mile for the whole distance, including what has been expended by the Government; the land subsidy, on the same basis, will give 9,170 acres, making altogether — estimating the land at $1 per acre — $28,713 per mile.

Hon. Mr. SCOTT — But the Syndicate do not build the whole of it.

The SPEAKER — I am showing what the whole cost of the road will be. The cost of the portions built and to be built by the Goverment will be $28,000,000, and the Syndicate are to receive for the portion that they are to build $25,000,000. The two together make $53,000,000, so that the expenditure in cash by the country — and that is the point I want to make clear — will only be $19,443 per mile. Now, there are very few gentlemen in this House who have not, at one time or another, made estimates for themselves of what this road would probably cost. They have seen many estimates, some of them made by the Government engineers, and they have made their own calculations. Now, I ask them to endeavor to recall these estimates, and to say if they ever put the cost as low as it is under this contract — namely, $19,443 in cash, supplemented by a subsidy in land of 9,170 acres per mile?

Hon. Mr. HAYTHORNE — That includes the whole line.

The SPEAKER — Yes, the whole line of 2,726 miles, the whole line from Lake Nipissing to the Pacific Ocean, including the guarantee for operating the road for ten years after its completion — that is for twenty years from now. I may observe that each section of railway as it is completed is to be run; that is part of the guarantee.

Hon. Mr. DEVER — Of course you do not include surveys in that estimate?

The SPEAKER — No. The cost of surveys has been withdrawn from this, because it included the survey of the country for other purposes. The Syndicate have to build 2,000 miles, and they are to receive for that in cash $25,000,000, and I must remind the House that out of this $25,000,000 they will have to expend $2,500,000 to equip the portions of the road built and building by the Government; so that the real cash subsidy which they are to receive as applicable to the building of the road is only $22,500,000; or, on the 2,000 miles, $11,250 per mile. The Government has agreed to pay the Syndicate $25,000,000, and it is that amount, and that amount only, that will be a burden on the taxpayers of the country. Now, I ask hon. gentlemen, considering the work to be done, considering the 650 miles of railway which the Syndicate are to build north of Lake Superior, and the portion of the road that they are to construct in the Rocky Mountains, and considering the prairie section also (which I apprehend will be found not to be quite so light as some gentlemen appear to suppose), considering all these, and the guarantee to run the railway after it is completed — I ask if the cash subsidy is excessive? On the contrary, is it not an amazingly moderate one? Is it not so moderate that when it comes to be looked at carefully and without partizan feeling, it will astonish the country? Is there an hon. gentleman in this House who, if such a proposal had been laid upon our table three or four years ago, would not have been delighted? I can fancy the delight with which my hon. friend the ex-Secretary of State would have laid such a contract upon our table; the credit he would have taken, and would have justly taken, to his Government for having made so favorable an arrangement; and credit is due to the present Government for having made it. The land subsidy is really of no present value, and that is the fair and the only fair way of looking at it. The land will undoubtedly become of great value, but it will be by the expenditure of capital by this Syndicate. The land can be of no value until railways are constructed through it, and traverse it in more than one direction. It will not be enough to build the Canadian Pacific Railway across the prairies; that will not make the whole of the land valuable. The Company must build branches, to intersect the country largely with railways, to give full value to their lands, and they are to receive no subsidy, either in money or land, towards constructing branch lines. Not only must they construct railways, but they must also organize a comprehensive system of immigration. They must cover the United Kingdom and the countries of Europe with a network of emigration agencies. Their success will depend upon their bringing immigrants in great numbers on to the North-West Territory, and peopling it rapidly. In that direction they must use their best energies — and they are gentlemen of great energy. They are not only energetic, but are possessed of great resources in capital, in influence, and in their connections in England, in France, and also in Germany, whence so many immigrants come. We have their assurance, and I believe they are sincere, that they will devote their best energies to bringing immigrants to this country; it will be their interest to do so. Unless they get the prairies largely peopled before the eastern section is opened the operating of the railway will be a heavier undertaking than it would be under different circumstances, and they are fully aware of that. I think the Government and the country will derive the greatest advantage from the co-operation and assistance which the

Syndicate will render in peopling that country. What they may do to enhance the value of their lands will also enhance the value of the public lands. I am aware that some gentlemen now set a fabulous value on land in the North-West. One hon. gentleman (Mr. Reesor) said that from 5,000 to 8,000 acres per mile would be an ample subsidy. Then the hon. Senator from Hamilton set a very high value on it, and not only did that, but converted it into cash at his own valuation, and treated it practically as a cash payment to the Syndicate. Of course it will be a long time before the Syndicate can get such a price as the hon. gentleman named for their lands. They will have but a comparatively small residue of land when that time comes. Then the ex-Secretary of State placed the cost of the road at an enormous sum; if I understood him aright he spread the expenditure over 20 years, and called it $158,680,000 and 25,000,000 acres of land.

Hon. Mr. SCOTT — The cost of the road ?

The SPEAKER — I understood the hon. gentleman to say it was to cost that.

Hon. Mr. SCOTT — I put the absolute cost of building the road at $84,000,000; the cost to the Government would depend entirely on what the land is valued at. In our calculation I valued it at $3 per acre. I made a calculation of what it would cost if the Syndicate elected to build it under Section II — which I will hand to the hon. gentleman if he wishes.

The SPEAKER — The cash subsidy may be paid, as provided for, on the completion of each section of twenty miles of railway, or it may be paid in the form of interest coupons; but no matter in which form, all that will be paid is $25,000,000, or the equivalent of that sum according to actuarial calculation, in interest coupons. The total subsidies are $25,000,000 in cash and 25,000,000 acres of land. Then the hon. gentleman from Ottawa (Mr. Scott) spoke of the Government being the bankers of the Syndicate. That is not correct. It may be for the convenience of the Syndi-cate to borrow under sub-section *d* of the contract considerable amounts of capital when the money market is favorable for their doing so. The Government is willing to take $25,000,000 at 4 per cent. interest and to hold it until the Compnay earn it from time to time; but the Government only agree to do that because they see where they can use the money to advantage. The Government will not lose the interest on that sum, or on any part of it; it will be applied to liquidating other obligations which are now bearing interest at 5 and 6 per cent. per annum. Between now and the 1st of January 1885, $42,000,000 of the obligations of the Dominion will mature.

Hon. Mr. SCOTT — What I contended was that, if it were known that these extraordinary facilities were offered, other contractors would have tendered to do the work for even less.

The SPEAKER — But the hon. gentleman will see that the Syndicate could have deposited the money with the banks.

Hon. Mr. SCOTT — My point is this: that the bonds largely increase in value by the Government paying the interest on those coupons. It is infinitely better security than if the Syndicate were paying the interest.

The SPEAKER — If the payments should not be made in that form, they would be made in cash as each twenty miles section of railway is constructed. The Syndicate would be able to represent this to the capitalists of the world, and the Government of Canada would confirm the statement, so that the credit of the Company would not be affected by this particular mode of payment. Now, hon. gentlemen, a good deal has been said about land monopoly. I really have no fears upon that head. I believe the Syndicate will understand it to be to their interest to have the lands quickly settled. To do that they must offer them at low prices, and I am prepared to hear of them offering lands at lower prices than any that have been named in this House. I shall not be surprised if they offer large quantities of these lands free to actual settlers. I feel quite certain that they will understand their interest sufficiently to do all in their power to induce settlers to enter upon their lands. One year's traffic of the products of a farm, cultivated by an ordinary family, would yield more to them than the price they may receive for the land at the early sales, and I may say that some of the gentlemen interested in this Syndicate have shown elsewhere — in Minnesota — that they understand this policy. The hon. Senator from Ottawa (Mr. Scott) said that he set a higher value on the land than heretofore, because we were discovering that it is more valuable than we had hitherto supposed. That is true, but only because there is a prospect of the land being opened up by the very means we are now providing. But let us withdraw the prospects of early railways from that country, and what would land there be worth? It would be worth no more than it was fifteen years ago, when it was, of course, altogether unsaleable.

Hon. Mr. SCOTT — I am quite aware of that.

The SPEAKER — But, hon. gentlemen, we are not only discovering that our land is more valuable, but we are also discovering that we have more of it than we formerly supposed. A physical atlas was issued a few days ago by Dr. Hurlburt, a gentleman who ought to be good authority on this question, and who has had access to the very best and most correct sources of information on the subject. He puts the grass bearing area of land in our North-West territory, east of the Rocky Mountains and west of the boundary of Ontario, at 900,000,000 acres. From that, of course, must be deducted the waste lands; but I am assured that the waste lands of that territory bear a smaller proportion to the whole area than almost of any other country. Now, if this atlas is correct, the subsidy of 25,000,000 acres, that seems to many to be so large, is only one thirty-sixth part of our North-West Territory. The same atlas shows that the cereal bearing lands amount to 600,000,000 acres, of which the quantity to be given to the Syndicate is in area only one twenty-fourth part. This statement will perhaps give an idea of what we are giving to this Syndicate and what we are reserving. I would not be willing to give to a company anything approaching to a controlling interest in our lands in the North-West. I do not think that a thirty sixth or a twenty-fourth part is objectionable. When you come to twice that quantity, it might be open to question; but, certainly, the quantity we are giving is not open to any objection of that kind. The question of exemptions from taxation, duty, etc., has been sufficiently explained by hon. gentlemen who have taken part before me in this debate, and I shall not refer to it further than to say that whatever the money value of this may be is so much saved to the present taxpayers of the Dominion, and I think they are those whose interests we ought chiefly to consider. The only contribution to its cost by the people who will enjoy the benefits to be derived from this railway in future times will be the small amount of taxes which they will be prohibited from collecting upon the property of this Company. As for the taxes upon the lands, my hon. friend the Minister of Inland Revenue showed, the other evening, that in all probability the exemption would have been as valuable or more valuable under the Mackenzie terms than they are under this contract. Why should not those who are to people the North-West contribute in the future towards the cost of this railway? Do not the provinces and the municipalities in the settled portions of Canada contribute largely towards the construction of railways? Was not a bonus granted by this very city a few weeks ago in support of a railway to Toronto — I think the amount was $200,000? That is an instance of the liberality with which municipalities contribute to railways throughout this country. All the western cities, and many of the rural municipalities, have contributed in the same way, and very largely in proportion to their means. With respect to the standard I need not say anything. My hon. friend from Montarville (Mr. DeBoucherville) showed that the standard is really a high one. My hon. friend the leader of the Opposition (Mr. Scott) said that he had no apprehension on that score. He is quite right. He understands what is for the interest of the Company; and he takes it for granted that they will do what is for their own interests. The railway, I presume, will be opened as soon as it can be safely run for traffic, but its construction will not then be complete. It will be as with all railways — especially western railways — the construction will go on until the line is made first-class. The next point to come to is a very important one, and one that has naturally interested the country very much: that is the question of monopoly with respect to traffic. Now, hon. gentlemen, instead of this Company having a monopoly, the construction of the Canadian Pacific Railway will render monopoly impossible. It is for the purpose of securing the trade of the North-West to Canada that this railway is being built, and the tariff of rates is to be subject to the approval of the Governor in council. If it were not to be constructed, the United States lines would have a monopoly of our trade. The construction of our railway will prevent this. I repeat that the Canadian Pacific Railway, instead of being a monopoly, as far as traffic is concerned, will really be the means of preventing any monopoly being established. Another fact that has an important bearing upon the monopoly question is that it will be for the interest of the Company to charge the lowest possible rates, because low rates of freight will do more to attract immigrants to their lands than even a low price for land. The price of land — the purchase money — of one or two dollars an acre has only to be paid once, but the transportation of the products of the land will be unending, and if the rates of transport are higher than the rates for similar distances in the United States, a check will be given to settlement, and the success of the Company will be jeopardized. The interests of the Company are so manifestly in favor of charging low rates of freight that I have no apprehension of their doing otherwise. The Northern Pacific Railway is the natural competitor of the Canadian Pacific Railway, and when the extensions of the Northern Pacific are completed to the Straits of Mackinaw and Detroit, that line will be a formidable competitor. Up to this time it has had, during the summer season, *via* Duluth, almost a monopoly of the rail and water borne traffic. The all-rail traffic throughout the year has necessarily to be taken round by St. Paul and Chicago, and it will continue to be so taken until our through rail line is built. The Sault Branch, when it is built in connection with the Northern Pacific, will also be a competitor, and I have no doubt that line will be built, and built shortly. The Canadian interests concerned in it will see that it is built, perhaps before the all-rail Canadian line. But I cannot understand any Canadian being satisfied to accept the Sault line in lieu of an all-rail line through Canadian territory.

Hon. Mr. SCOTT — If we get that now, we get both in that way.

The SPEAKER — The way to get both is to take the all-rail line now when we have an opportunity of getting it; the Sault connection will come, and probably be open for traffic before the other. But if we have the Sault line first we shall have interests opposed to our national line. I repeat I cannot understand how any Canadian desiring the welfare of the country, the development of its trade and the enrichment of its people can accept the Sault line — the foreign line in lieu of the Canadian line. Hon. gentlemen are, no doubt, aware that the Sault line, or rather the extension of the Northern Pacific Railway, from Duluth towards the Straits of Mackinaw, is not for the purpose of connecting with the Canadian line at the Sault, but to connect with the Michigan railways, and through them reach Detroit. The distance from Winnipeg to Detroit is exactly the same both by Duluth and the Straits of Mackinaw and by St. Paul and Chicago. From this extension of the Northern Pacific a branch will be dropped down to the Sault. Hon. gentlemen will see that it would be in the interest of that Company to prevent the traffic leaving their main line at the Sault for the Canadian railways, and we know what can be done by railway companies to prevent traffic that they have on their lines from leaving them. They will take from our line all they can get, and in return give as little as they can. The Northern Pacific Company would probably have one rate to Detroit and a higher rate per mile to the Sault junction. Our Sault line will have to compete with the main Northern Pacific line and its extensions, and compete under disadvantageous conditions. Besides, it will have to compete with the water during the summer. If we were to be content with the Sault line a large portion of our traffic would be diverted from the Canadian line, at Winnipeg, to the United States lines, and when it reached the Sault junction we would have to compete and struggle for a share of it to bring back to Canada, and we could at best only succeed in getting back a small share. Yet, some hon. gentlemen are asking that it should be accepted in lieu of an all-rail line through our own country. I may say that I admire the courage of gentlemen who stood before an audience of Montreal manufacturers and merchants to urge them to use their influence to have the Sault branch of the Northern Pacific Railway accepted instead of an all-rail route to the North-West. I admire their courage, but their courage only, in asking the Montreal merchants to forego the advantages — I may say the monopoly of a most promising trade — and to see it diverted from themselves to enrich the merchants, railways and cities of the United States. I believe, hon. gentlemen, that the building of the Canadian all-rail line will secure the North-West trade to Canada. I believe that without that line the trade will be lost to the Dominion. I owe an apology for occupying the time of hon. gentlemen at such length, but the subject is one of such absorbing interest to myself that I may not have proper consideration for others. I have been accused, by some of the press, of inconsistency for not opposing the giving of the contract to this Syndicate. I am not open to the charge of inconsistency in this matter. In 1873 I was opposed to giving our subsidies and our railway to a company that had arranged to give seventeen-twentieths of it to the promoters of the Northern Pacific Railway, who were and are our chief rivals. If I were to support the second Syndicate, sometimes called the political Syndicate, I would be open to the charge of inconsistency, because their ally, their only ally, would be the Northern Pacific Railway, and the natural course of their business would be to transfer the trade of the North-West to that railway during the summer months when the line to Thunder Bay would be open. When once transferred to the Northern Pacific Railway it would be lost to Canada. No rival, hostile interest, such as the Northern Pacific was in 1873, is represented in the Syndicate. Their interest will be bound up in the Canadian Pacific Railway, and in keeping the trade of the country within Canada. I shall not say much about the second Syndicate or about their sincerity; if they sent in an offer, believing that they would be awarded the contract, they must be very sanguine men, because their tender could not be considered until after the present Government had been defeated and overturned. That was perfectly manifest. No one knows better than the ex-Secretary of State that if the acts of Ministers, who are the servants of Parliament, are repudiated by Parliament, the Ministers, like other servants, whose acts are disapproved of by their masters, must make way — must resign — so that before the second Syndicate could have obtained the contract the present Government must have been overturned and the gentlemen of the Opposition succeeded to their places.

Hon. Mr. SCOTT — Oh! no, not at all.

The SPEAKER — If the second Syndicate entered into an arrangement with those gentlemen the very first act would be to drop from the contract the western section of the railway, and with it to drop a province from the Dominion. That would have been the inevitable result. The second act would be to drop 650 miles of the eastern section, and with it to drop two-thirds of the trade of the North-West out of the volume of Canadian trade. It is urged against the Syndicate that some of its members are interested in the St. Paul and Manitoba Railway. I do not see why that should be an objection. During the winter months, until the Canadian Pacific is completed, and during the summer until it is complete to Prince Arthur's Landing, the trade of the west must find an outlet over the St. Paul, Minneapolis and Manitoba Railway, either by way of Glyndon to Duluth, or by way of St. Paul and Chicago. Its existence is, and will be, a great boon to the North-West until the Canadian railway is opened throughout. The interests of railway companies are measured by the number of miles of railway which they own, and the interests of the Syndicate stand thus:—

The distance from Winnipeg to Glyndon, which is the junction of the St. Paul Railway with the Northern Pacific, is	220 miles.
Winnipeg to St. Paul	450 "
Winnipeg to Prince Arthur's Landing	430 "
Winnipeg to Nipissing (Callander Station)............	1,080 "

So that when the road is finished to Prince Arthur's Landing the Syndicate's interest will be as 430 is to 220—that is, they will be interested in 430 miles to Prince Arthur's Landing as against 220 miles to Glyndon and 450 to St. Paul. When the eastern section is completed their interest will be as 1,080 is to 220. Between Callander Station and St. Paul their interest will be as between 1,080 and424.

Hon. Mr. SCOTT — Until the eastern section is built the true way to compare the distance will be from Winnipeg to St. Paul and from Winnipeg to Thunder Bay.

The SPEAKER — I have done that. When the road is opened to Nipissing their interest will be as 1,080 miles are to 220 to Glyndon, in one case, and 424 in the other case to St. Paul. It is gratifying to find that the distance is in favor of the Canadian route, whether you take it by all-rail, or partly rail and partly water. The distance from Winnipeg to Montreal, all-rail, is 1,432 miles; the distance *via* Thunder Bay and the Sault is 1,262.

Hon. Mr. SCOTT — That is the shortest route.

The SPEAKER — Yes—the shortest. So that the Canadian all-rail route will be 218 miles shorter than any other, and the rail and water route is 156 miles shorter than that *via* Duluth. In my opinion the contract is a fair one to both parties. If the Syndicate push their work energetically, if money remains cheap and immigration large, they ought to make a very good thing of it, and if they do Canada will also be benefited. If the Syndicate fulfil their contract, as I believe they will, they will render incalculable benefit to Canada as well as to themselves. The undertaking, so far as the Dominion is concerned, even with this modified money subsidy, is a heavy one, but not so heavy as it would have appeared three years ago, for the credit of the country has improved since then. As evidence of this, I may mention that in 1876 a thirty years' loan was negotiated nominally at 4 per cent., but as this loan netted only 87½ cents in the dollar, the rate of interest instead of being only 4 per cent. is actually 4.79 per cent. The latest quotation of our 4 per cent. securities is 104½ to 105½. I think, therefore, we may fairly assume if we desired to negotiate a loan how we would be able to do it at 102½ — that is 15 per cent. better than the loan of 1876. The premium on a loan at that rate would reduce the rate of interest to 3.86 per cent. Now, the difference to Canada would be as follows:— The loan of 1876 was $12,166,666, for which we received only $10,645,833. If it had been negotiated at present rates, we would have received for the $12,166,666, $12,407,833, or $1,825,000 more than we did receive in 1876. The difference in the rate of interest between those two periods is 93-100th of 1 per cent; and that is sufficient if constantly invested at 4 per cent. to pay off the loan in forty-two years. In other words, if you were to invest 93-100th of 1 per cent. on the whole debt of Canada, semi-annually, and keep it regularly invested at 4 per cent., it would pay off the debt in forty-two years. Within three years great improvements have taken place in the condition of the country. We have had two bountiful crops. The price of lumber, a very important staple has increased very much, and so has the demand for it. The industries of the country have revived enormously. The exports of the year exceed the imports for the first time. Hope has taken the place of gloom and despondency, and the country is enjoying a measure of prosperity such as few of us remember to have seen in former years. Now, I am not going to take credit to the present Government for all these benefits; I am not going to ask for credit for the bountiful harvests, or for improvement in the lumber trade; but I will take credit to the present Government for their policy and legislation. It is due to these that so large a proportion of the profits arising from the improved condition of affairs has remained in Canada and inured to the benefit of our people. I believe that firmly and sincerely. I believe if that policy had not been inaugurated, and if our industries had not been protected by legislation, our neighbors would have continued to have made this country what is called a slaughter market—they would have continued to trample our industries under foot—and that to-day we would have been less prosperous and less contented than we were three years ago. If the Pacific Railway is proceeded with, as we firmly believe it will be, I look forward to the country enjoying a still greater increase of prosperity—that in a few years hon. gentlemen who are opposed to-day to ratifying this contract, will admit that they were unwise to oppose it as they have done, and will congratulate themselves and the country that there was a majority in the legislative halls of the Dominion to carry the measure against their wishes and efforts.

It being six o'clock, the Committee rose.

AFTER RECESS.

The Committee was resumed.

On the first clause,

Hon. Mr. HAYTHORNE — I think it important that some discussion should take place on this clause for several reasons, which I shall briefly state to the House. It is a very important clause, the wording of which may bear another meaning besides that which appears on its face. It seems to me that the meaning of this language is, in effect, a bill of indemnity for the conduct of the Government in connection with the measure. It appears to me that if we pass that clause as it stands, the House will, in effect, have expressed its approval of the conduct of the Government throughout this transaction. Now, that is a thing which I do not wish to do, because I strongly disapprove of their conduct in this matter. Considering the state of affairs which existed in Parliament at the close of last session, a measure having then passed both branches of the Legislature for conducting the construction of this railway upon a principle totally distinct from that which is adoptin this bill, the Government should assign sufficient reasons for their change of front. It seems to me if they contemplated such an entire change of system in the construction of this road they should have come to Parliament and sought its approval before making it. They should, in my judgment have effected certain alterations in the Act of 1874, under which Act, I presume, they were proceeding, and on which the contract was based. Now, if the action of the Government was based upon that Act, it seems to me perfectly clear that they have not followed out the principles of that Act. Therefore, if they intend to constructt he Canadian Pacific Railway on principles entirely different from those they announced last session in Parliament, it was their duty, before taking an irrevocable step, to have come to Parliament and stated their policy and asked for an alteration of the laws upon our statute book for that purpose. The 8th clause of the Act of 1874 is as follows :—

> "The Governor-in-Council may divide the several sections of the said railway into subsections, and may contract with any person, etc., etc., etc., for the construction of any section or sub-section of the said railway, including all works connected therewith, and all rolling stock required to work the same, and for the working of the same as hereinafter provided, on such terms and conditions as by the Governor-in-Council may be deemed just and reasonable, subject to the following provisions :—
>
> "Sub-Section 1.—That the works on any section or sub-section of the said railway shall not be given out to any contractor or contractors, except after tenders shall have been obtained for the same."

Now, hon. gentlemen, I think that practice of letting our public works by tender — a time-honored practice — was a very proper one, and any breach of that system is to be condemned rather than approved of. For that reason I specially disapprove of this contract, and the clause expresses approval of the conduct of the Government, and ratifies the contract. It has been said that this contract has practically been put up to tender, but I think that ground is not tenable at all. In order to make good the case that this contract has been offered to public tender, the Government ought to be able to show where, when, and how it was so put up ; what the specifications were that were offered to persons wishing to tender — in fact to show the conditions under which the Government were prepared to act. I think unless it can be shown that the usual system of tender was adopted in this case, it cannot be said that this work has ever been offered to public competition. It has been said that the speech of the Prime Minister at Bath was equivalent to putting it up to tender, but I cannot agree with that view. It seems to me to be entirely untenable. A speech made by the Premier — a speech to some of his constituents or party — cannot be regarded as equivalent to an advertisement for tenders. It seems to me, also, that if this work had been properly advertised, and the public notified of the conditions on which the Government were prepared to let the work, it is highly probable that many offers would have been received besides this one, and I am justified in making that statement, because since Parliament met another offer has been made. It has been said that this second offer was not made in good faith, but I think that statement is altogether unjustifiable. The second Syndicate deposited $1,400,000 as evidence of their good faith, and I think that is ample evidence that they were prepared to carry out their offer. It has been stated also that the Government could not have retired from this agreement without dishonor, but I beg to differ from hon. gentlemen who express that opinion. If the proper precautions had been taken, and if the Government had come to Parliament in the first instance and obtained its approval of their plans, there would have been no danger of incurring any disgrace at all. Those gentlemen who seem to think that it would be a disgraceful fact in the history of this country not to endorse the action of the Government in this transaction take a wrong view of the case. If they are right, no matter how bad a bargain the Government may make, Parliament is bound to support it. That is a position which no hon. gentlemen, I am satisfied, will take. Some hon. gentlemen may take the position that this is a remarkably good bargain, but the Opposition think differently. I should have preferred that the Government had not placed themselves in such a position. I should have preferred that that they had prepared the way for their scheme during last session. They would then have been acting strictly in accordance with existing laws and not have found it necessary to come to Parliament to sanction a bargain not made in conformity with the existing laws, and with a bill of idemnity for themselves. I, therefore, move that the first clause be amended to read as follows:—

> 1. The said contract, a copy of which with schedule annexed is appended hereto, is not hereby approved and ratified, but the Government is hereby authorized to invite tenders for the performance of the work therein described, to perform and carry out the conditions thereof, according to their purport.

Hon. Mr. DICKEY — The amendment proposed by my hon. friend reads very like an amended resolution which proposes to leave out all the words after "resolved." The contention that my hon. friend has adverted to, that this contract must be ratified because the Government entered into it, has not been heard in this debate. Nobody has taken that ground, and my hon. friend is not justified in saying so. We ratify this contract, which by its terms must be ratified by Parliament before it has any binding force, because we think it a wise and proper one — a contract eminently in the interest of this country. The hon. gentleman has spoken of tenders not having been invited, and has referred to the Act of 1874, under which he says the Government are empowered to accept offers, but that no offer will be of any avail until it is ratified by Parliament. Under the Act of 1874, the concurrence of the House of Commons only was required, while in this case the sanction of both Houses is sought. I should like to ask my hon. friend whether Parliament, in the exercise of its very extensive powers, cannot enter into a contract and ratify it. My hon. friend is reduced to a strange dilemma when he brings a clause of the Act of 1874 to show that a contract must be ratified by the House of Commons when we are actually discussing the matter after the contract has been ratified by that Chamber, and we are merely exercising our functions as a co-ordinate branch of Parliament. I can speak for myself, and I think I can speak for every gentleman who has voted for this

Bill, when I say that we do not vote to ratify this contract merely because it has been made by the Government, but because we consider it a wise and prudent bargain. My hon. friend says that the Premier's speech at Bath was not an invitation of tenders. Who contended it was? Not anybody on the Opposition side of the House; not even my hon. friend himself raised the objection that the work was not put up to tenders, but it was objected that the negotiations were carried on in secret, and it was to meet that objection that reference was made to the Premier's speech. I myself brought forward the fact that this was not such a contract as the hon. gentleman spoke of — a contract made in secret and without competition — but the best contract that could be made when two rival companies were competing for the work. I should like to refer to some statements made by my hon. friend from Hopewell the other day, and I do so in no unkindly spirit, but to set him right as to one or two facts. He spoke of stock books being opened in the various cities of the Dominion under the Allan contract, but he forgot to quote the concluding part of the clause that he referred to, and which is as follows:—"Provided that the Directors shall have power to reject any proposed subscription which it shall seem to them inexpedient to accept." It is a mere matter of form; it is a close corporation to all intents and purposes, because nobody in this wide Dominion, can get an interest in it unless with the consent of the directors. That was one of the objections taken to this very contract. The hon. gentleman also referred to a clause in the offer of the second Company, that the Government might at any time resume possession of the work, on certain conditions, but that is perfectly illusory, because it does not authorize the Government to resume possession of the line unless they are prepared to pay the price the Company shall ask. I shall read the 23rd clause, and the hon. gentleman can see for himself. The clause is as follows:—

> "23. At any time after the completion of the Canadian Pacific Railway, or of the parts thereof that are to be completed hereunder, the Government shall be entitled to acquire the same, and all the property and assets of the Company, paying therefor such compensation as may be agreed upon; or, in case of disagreement, such compensation shall be settled by the decision of the majority of three arbitrators, one to be chosen by the Government, one by the Company, and the third by the two so appointed."

No third arbitrator could be chosen unless with the consent of the Company itself, or its nominee. Now, that shows that the Government could not, under that section, get power to take possession of the railway except by consent of the Company. If my hon. friend will look at section 3, which refers to the standard of the railway, and the admission of materials, he will find it is of a very different character. The clause is as follows:—

> "And if the Government and the Company should be unable to agree as to whether or not any work done or materials furnished are in fair conformity with such standard, or as to any other question of fact, excluding questions of law, the subject of disagreement shall be from time to time referred to the determination of three referees, one of whom shall be chosen by the Government, one by the Company, and one by the two referees so chosen, and such referees shall decide as to the party by whom the expense of such reference shall be defrayed. And if such two referees should be unable to agree upon a third referee, he shall be appointed at the instance of either party hereto, after notice to the other, by the Chief Justice of the Supreme Court of Canada. And the decision of such referees, or of the majority of them, shall be final."

Now, there is an entirely different state of things, far different from the other provision under which, if the Company do not agree to anyone suggested by the Government, they retain possession of the railway. Now that is not all, because there is a very important question connected with this, no less than the total cost of this railway — for example, the question whether the subsidies shall be counted as part of the cost of that railway. Why, gentlemen have been fighting here for a week on the question whether the word "capital" shall include the subsidies of land and money and all other moneys expended on the road. How is that provided for in the Act of 1874? It will be found in clause 10, referring to the resumption of the road by the Government, as follows:—

> "The subsidies in land or money granted or paid by the Government for the construction of said railway being first returned or deducted from the amount to be paid, the lands sold

being valued at the full amount the contractors may have received from the sale of such lands as may have been sold."

There is in this Bill before the House protection to the public; but there is no protection in the clause which my hon. friend thinks a great grievance because it was not contained in this measure. I merely call my hon. friend's attention to the misapprehension as to these clauses under which he must have labored. I must enter a decided protest against the constitutional principles which my hon. friend has announced here for the first time, and I believe the first time they have ever been heard in a body such as the Parliament of Canada—I mean the principle he has laid down, that whenever an important question like this comes up it is wrong to settle it without first making an appeal to the country. He went so far as to say that this measure ought not to be considered during the present session, but postponed with a view to submitting it to the people for their ratification and then bringing it before Parliament for its decision. I humbly submit that that is an absurdity, because instead of Parliament acting as the representatives of the people, the people themselves will decide the question and then send it to Parliament to talk about it afterwards. My hon. friend says there ought to be a dissolution or an appeal to the people on this question, because he says the House of Commons was elected on the question of the National Policy. Does my hon. friend say that during the five years which it was thought fit should be fixed as the term of the House of Commons, that there must be an appeal to the people on every important measure that comes up? The hon. gentleman will see himself, on reflection, that to act upon such a suggestion would be simply to reduce parliamentary government to a constitutional absurdity because it is quite impossible that the Government could be carried on if such a rule prevailed. I never heard such a principle propounded by any constitutional authority. I am not complaining of it, because the hon. gentleman spoke with a great deal of frankness and clearness, and very much to the pleasure of a great many of us who listened to him. I do not wish to enter into a controversy with him on the other points, because really those questions have been discussed *ad nauseum*, but when a principle like that is pressed upon the House, I think it is right that same one should enter a protest against a doctrine which is as novel to me as I think it is entirely subversive of all constitutional government.

Hon. Mr. McCLELAN — I did not make any proposition that each and every important question should be first submitted to the people before being passed upon by both Houses of Parliament. The hon. gentleman has evidently misunderstood me on that point. What I said was, that an important question that had not come before the electors at the time of the general election, and which may be a permanent statute owing to its peculiar character for all time to come affecting so largely the interests of this Dominion, was eminently a proper one, under the circumstances, to submit to the people. With all due deference to the views of my hon. friend, I must continue to hold that opinion. As to the other points in my speech to which the hon. gentleman refers—I am glad to find that he completely substantiates their correctness, so far as the facts are concerned, and he knows very well that it was impossible, without drawing too largely on the indulgence and patience of the Senate, for me, on that occasion, to dwell on details and inferences arising from all the features of this question. My statements were correct — and though not in order now, when discussing a specific amendment in committee, yet, whenever permitted, I am quite prepared to controvert the conclusions of my hon. friend.

Hon. Mr. SCOTT — The hon. Senator from Amherst has placed a very ingenious construction on clause 23, if not a very ingenuous one. The clause lays down as a particular basis for action, that in the event of the Government desiring to obtain this railroad in a few years, it can be done by arbitration. It is a very simple proposition, and one that, if embodied in any Act of Parliament, and it afterwards became a necessity for this country to act upon it, I do not think Parliament would be slow to find machinery to put in force such a simple proposition, and the Government do not take exception to that clause. They say that they will not entertain it at all. If they had come forward and said that this general clause 23 is quite ineffective, we cannot entertain it unless it is put in proper shape, hon. gentlemen would find very quickly that the proposition would be drawn just on as satisfactory a basis as the Syndicate required. While I am alluding to that, I may just refer to one point in this debate that has assumed very great prominence, and that is hon. gentlemen have over and over again stated — and I confess I was amazed at the boldness with which that statement was made — that this contract that I hold in my hand from the new Syndicate contemplated dropping the eastern and western ends of the railway. Now, I deny that any such interpretation can be put upon that contract. The proposal is, that the Government may have that option if they think fit, but the gentlemen who proposed to build this road under the second offer had not themselves taken this option. In the first place, they say that " we will do exactly what the first Syndicate proposes to do, and we will do it for less money and for less lands, and with Government supervision, and with the abatement of all those objectionable clauses." They go further, and say " we give the Government the power, if they think it is in the interests of the people of this country that the work in British Columbia should be carried on as rapidly as possible, you can stay our work without any claim for damages. If you think well of staying the work on the eastern section, or substitute the Sault Branch in lieu thereof, it is in the power of the Government to do so, and it in no way affects the position of the Syndicate. The Syndicate had no option, but the Government had the option. I do think it very extraordinary that hon. gentlemen should rise again and again in their places, and say that the second proposition contemplated dropping the eastern and western ends. Now I come to a few observations of my hon. friend from Prince Edward Island as to the tenders. It is contended by hon. gentlemen opposite that this proposition is not very perfectly authorized, but it is authorized. I deny that there is any authority whatever given by the Parliament of Canada under which they were authorized to make even this provisional contract. After the change in 1878 the Government continued to act and give out contracts on the Pacific Railway under the Act of 1874. They gave out eight or ten contracts under that statute; their work is now being carried on under that Act, and they propose to go on still further under that Act; but under that statute it is definitely laid down that all work on the Canadian Pacific Railway was to be given out by public tender.

Hon. Sir ALEX. CAMPBELL — Like the Fort Frances Lock.

Hon. Mr. SCOTT — Surely hon. gentlemen do not ask us to accept the casual observations made at a pic-nic by the distinguished gentleman who is at the head of this Government as an invitation to the world that they were going to invite tenders, and that in the face of their declared policy sent broadcast over this country not eight months ago. Sir Charles Tupper, on the 14th of April last in asking for the last official statement as to the work on the Pacific Railway, and as estimate of future works after Parliament rose, what does he say? He says :—

> " The policy of the Government is to construct a cheaper railway, following or rather in advance of settlement, with any workable gradients that can be had requiring no expenditure beyond that absolutely necessary to affect the rapid colonization of the country."

Surely hon. gentlemen will not pretend to say that that was not the policy of the Government when Parliament rose last year.

Hon. Mr. AIKINS — It was the policy of the Government to construct that kind of a railway.

Hon. Mr. SCOTT — That kind of a railway! Had not the Government a very short time before that given out four contracts in British Columbia that were afterwards consolidated? Had not they given out the section for that 185 miles between Red River and Thunder Bay? Was not all the work given out under the Act of 1874? And Sir Charles Tupper himself, in announcing officially the policy of the Government at the end of the session last year, declared over and over again that that was the policy of the Government, and that they gave credit to their predecessors for it.

Hon. Mr. AIKINS — What was the policy?

Hon. Mr. SCOTT — To go on and build the road as a Government work.

Hon. Mr. AIKINS — Until they could get satisfactory offers.

Hon. Mr. SCOTT — Then why not ask Parliament for authority to build it in that way, announce to Parliament that they were going to call for tenders, and not enter into a contract secretly without any knowledge to outsiders? I deny that there was any competition for this contract. Had it been done by the the late Government what would the country have said? What would hon. gentlemen have said? It would have been characterized as one of the most outrageous acts on the part of the Government, and would have been heralded all over the country as such. But, forsooth, because the head of the Government said what he did at a pic-nic at Bath — as if the capitalists of the world were going to read his Bath speech; I confess I did not read it myself until my attention was drawn to it recently — it is to be taken as an advertisement to the world that the Government were calling for tenders for the construction of this railway. No doubt the right hon. gentleman makes very good speeches, but he does not take the opportunity of announcing the policy of the Government at a pic-nic in the backwoods. Such pic-nics are very pleasant. no doubt, but are not very suitable for the announcement of a State policy. At the Lord Mayor's dinner in London it is usually the case that the Premier of England, or some member of the Cabinet, makes some announcement as to the foreign policy of the Government; but this is a different thing from making such announcement at a pic-nic in the backwoods. Really it is farcical, although it is not parliamentary to say such a word, for hon. gentlemen to rise in their place, and say that this contract was a tender, and say that there was competition for it. If there was competition, where is it? Why can we not have the offers submitted to us? Surely if competition existed it is easy to bring it down. It has been asked for over and over again. I can quite understand the Government, with their great majority, playing a bold game, and saying "we think this is the best thing for the country, and we really believe that the measure we have entered into provisionally ought to be adopted; with our large following in Parliament we will have it adopted." But then we are told in one voice by hon. gentlemen that we must accept this contract; that to reject it or amend it involves a change of Government, as it is tantamount to a want of confidence. We are told Parliament is to discuss it, and if anything is found wrong with it, we are to do the best with it. The organ of the Government the other day went so far as to say it was the duty of the Senate not to lose any time in registering this contract, and as we could not alter it, we should not delay it. I said before if any other party or any other Government had done anything of this kind, it would not be a few days or a few nights of debate we would have on it in this Chamber.

Hon. Mr. AIKINS — They would not send it to the Senate at all.

Hon. Mr. SCOTT — They sent the Act of 1874 to the Senate, and they bound themselves that they could not give out a contract unless tenders were called for by public advertisement. We know very well the ground hon. gentlemen took in reference to the steel rails contract. It was advertised for a month or so in the leading newspapers and communication was had with the leading manufacturers. It was not supposed to be necessary to spend a thousand dollars in advertising for rails, but hon. gentlemen were so critical that an additional month or six weeks' advertising was required. Even that was not sufficient, and an hon. gentleman brought it up in this Chamber, and declared that the announcements were not broad enough or wide enough to attract the notice of capitalists and manufacturers. But the Minister of Railways can cross the Atlantic and give his orders for thousands of tons of steel rails without any notice to the public, and it is all perfectly right, though what was done by his predecessors was absolutely wrong. But I do not find fault with it. I say Sir Charles Tupper did a very good thing for the country when he bought those rails in London. I think it was a very good thing — a very proper thing, but I do think, and will continue to think to the last day of my life, of the way his predcessor in office was hounded down through the country by his opponents in reference to this steel rails matter. It was even dragged into this debate a few days ago, but the hon. gentleman who did so is not now in his place and I will not refer to it any further. To talk of this contract having been made under public tender and under authority of an Act of Parliament is absurd. The Government have done it in their strength and power, and have probably done it in their wisdom, from their own standpoint, but I should like it to be put on a fair, honest basis. They justify it by having a strong backing in Parliament, who will be sure to carry it through and we must be told that we are not to dot an "i" or cross a "t," even if a clause is shown to be diametrically opposed to the interests of the people, as is the case in the clause with reference to rates of tolls.

Hon. Sir ALEX. CAMPBELL — I cannot conceive on what assumption this amendment is moved. This House resolved a day or two ago, by a very large majority, that this Bill should be read the second time, and in so resolving, affirmed the principle of the Bill; the principle of the Bill was to approve of this contract, and now the hon. gentleman from Prince Edward Island moves in Committee an amendment, the effect of which is to strike the whole contract out. That question is not a question to be decided here in Committee. That question was decided last Friday in this House on a vote by a majority of 27 that the Bill should be read the second time and that this contract should be affirmed. I have no doubt the hon. gentleman is actuated by a sense of duty, and in discharge of this duty his amendment is proposed, but I do not know why the hon. gentleman should suppose, now in Committee, that the House should reverse its decision of a few days ago on the second reading of the Bill.

Hon. Mr. REESOR — As the seconder of the motion of my hon. friend behind me, I beg to say a few words. This first clause seems to embrace the whole Bill, and if we adopt it we will then be asked, of course, to adopt every other clause that follows.

Hon. Sir ALEX. CAMPBELL — We did that in reading the Bill the second time.

Hon. Mr. REESOR — Then if reading a Bill the second time involves the adoption of every clause in the Bill, we might as well stop discussion altogether. If going into Committee of the Whole on this Bill means anything, it means that the members of the House shall have the privilege of discussing it in all its bearings and upon its merits. The very fact that this clause refers to all the other clauses and refers to the contract as a whole, I maintain, gives us the privilege of discussing the whole Bill.

Hon. Mr. BULL — Where is the necessity?

Hon. Mr. REESOR — Of course in the eyes of my hon. friend there is no necessity for any further discussion after the Bill gets the sanction of the Government.

Hon. Sir ALEX. CAMPBELL — After it gets the sanction of Parliament.

Hon. Mr. REESOR — In referring to the merits of this Bill and the merits of the contract which is involved in this clause, it must be noted that hon. gentlemen who support the measure have taken an extraordinary course. Their reasoning is totally illogical. One hon. gentleman declares that the North-West Territory contains such an immense quantity of valuable lands that these 25,000,000 acres involved one-twenty-sixth part of it.

The SPEAKER — One-thirty-sixth.

Hon. Mr. REESOR — Worse still; only one-thirty-sixth of the arable land of the country.

The SPEAKER — Of the grass lands.

Hon. Mr. AIKINS — Land fit for settlement.

Hon. Mr. REESOR — I wish the hon. gentleman would take one position or the other.

Hon. Mr. GIBBS — He took both positions — one-thirty-sixth of the grass lands or one-twenty-fourth of the agricultural lands.

Hon. Mr. REESOR — We will take both positions, if the hon. gentleman will stick to them. If that country is so immensely valuable, if there is such a large extent of good territory, one railway is not going to be a sufficient means for distributing the supplies that the people will require who settle there. One railway is not going to be sufficient to bring out the produce of that immense territory, and yet we are giving away a quantity of land beyond all comparison what is necessary in order to get that railway built. Now, I will read what was said in another place. Sir Charles Tupper, in speaking of this railway, and in meeting the argument that it might be a monopoly, speaks as follows: —

> "We have at this moment three independent lines of railway chartered by Parliament, running from the Province of Manitoba in a west or south-westerly direction to the foot of the Rocky Mountains, if the people only choose to go there. We have given them land along these lines at a dollar an acre to enable them to construct and operate these lines. Now, look at this country. Here is a country, from the 49th to the 57th parallel, 100 miles wide and 1,000 miles deep. I think Mr. Blake said that a railway would only serve the country for ten miles on each side of the line, because, so productive is the soil, ten miles of land on each side of the roads can give them more business than they can do, and consequently you have to have a railway for every twenty miles in width of territory. Now, we have three independent lines chartered, and I want to know if the Syndicate could put on oppressive charges, and abuse their privileges with monopoly rates, whether we would not send our settlers in on other lines where the land is just as good?"

Now, if this means anything, these roads that were chartered and were being subsidized by the late Government to the extent of 3,840 acres of land per mile, for which these companies pay $1 an acre, then it is quite unreasonable to pay $10,000 per mile and give 12,500 acres of land per mile to the Syndicate. The small bonus for which those companies are willing to build branch railways across from Red River to the Rocky Mountains, 12,000,000 acres of land would give each of them at the rate of $4,000 per mile, and build 3,000 miles of railway. If, by granting 12,000,000 of acres, for which $12,000,000 will be returned to the Government, we can secure the building of three lines of railway to the Rocky Mountains each 1,000 miles in length, why, in the face of all this, should we find it necessary to subsidize one railway with $10,000 in cash per mile and 12,500 acres of land per mile — or, if the land be counted at $3 per acre, we are giving $36,000 per mile more than the railway will cost, and, when it is finished, we hand it over to the Company. Was ever such a scheme presented to a free people? Was such legislation ever before heard of on this continent? I venture to say you will find no precedent for this Bill in all the legislation of the civilized world. I defy hon. gentlemen to find a precedent in the legislation of any State of the neighboring Union. Then, my hon. friend complains because it is contended that this is a question that ought to be submitted to the people. Imagine the handing over 12,000,000 acres of land over and above what one thousand miles of the railway will cost — handing it over to a Syndicate that will hold the key to the whole position, and control the commerce of all that great country for ever! Yet, hon. gentlemen say other railways can be built. One hon. gentleman says the Syndicate will run the road ten years after it is built. What security have we for their running it? If the railway is not going to pay anything for ten years, and it is going to cost $50,000,000 or $60,000,000 to run the road for that period, do you suppose that those gentlemen, after having drawn their money and their lands, will continue to run the railway at a loss of so large a sum? Not a bit of it. There is nothing to prevent them from disposing of their land, making $25,000,000 or $30,000,000 out of it over and above the cost of the railway and the security held by the Government, mortgaging the road, and then refusing to run it if it does not pay. Now, we must take either one position or the other. If it is a great country, and if its resources are rapidly developed, and the roads will pay, then we are giving too much of a bonus, but if it is a sterile, miserable country, and the road can never pay, the security for running the road is altogether inadequate. It is most extraordinary that such a measure as this should be submitted to us, involving, as it does, the expenditure of so much money, and the alienating of so much land. Hon. gentlemen say the Company will not lock up its land — that it is to their interest to have it settled as rapidly as possible. We know that in Minnesota railway companies have realized from $5 to $6 an acre for their land. This Syndicate will take all they can get. Their circumstances are very similar, and they are likely to make as much out of it in that particular. Minnesota is in many respects situated, so far as climate and soil are concerned, and also in distance from the seaboard, similar to our own North-West. From Red River it is about the same distance to the head of Lake Superior as from St. Paul to Chicago. The head of Lake Superior is just as near Montreal and Liverpool as Chicago is, so that the circumstances of the two countries are alike in these particulars. Well, what do we find now in the history of Minnesota? We find that in 1850, the population of that State was 6,077. We have already three or four times that in Manitoba. In 1860 the population of Minnesota had increased to 172,023. What may we infer from this will be the increase in Manitoba within the next ten years? Can any one doubt that we shall have over 100,000 people there when the railway will be completed—20,000 farmers that produce 1,000 bushels of grain each on the average for shipment? And if twenty-five cents per bushel is charged on the carrying of that grain to Lake Superior, it would amount to some $6,250,000; add to that the earnings of the road in carrying coal, wood, lumber and other supplies and all the passengers, and the sum which would be realized would be more than $10,000,000. That would be a great deal less in proportion than the St. Paul and Manitoba Railway is already making. Now, it is admitted that the whole working and running expenses, when completed, would be from six to seven millions of dollars per annum. That would leave from three to four millions of dollars net profit on the earnings of the road. Does that show that we are warranted in giving away this immense territory, in addition to the road itself? Does that show that we are warranted in giving these immense franchises to a close corporation which may keep half their lands twenty or thirty years without taxation, and realize immense profits upon it? We know that it will be utterly impossible for them to settle that land within fifteen or twenty years. The settlement of the Government lands would help the Syndicate. Their produce would be carried on the railway, and the Syndicate would be benefited as much as if they had sold their own lands, with this exception, that they would not have realized the amount represented by the sale of their own lands. But, on the other hand, their own lands would be rendered more valuable — they would sell for double the price after the railway was put through. But we have passed the second reading of this Bill with its odious features: we have, therefore, adopted the principle that it is desirable to build part of the railway through a company — not the whole of it, because in this Bill we provide that the Government shall build a very important part of it. If the Company were to furnish the means, and build that portion of the road themselves, then it would be less objectionable; then the Government would not have to keep up so large a staff. The whole machinery of railway building by the Government will have to be kept up for ten years. They are virtual contractors to the Syndicate until they complete that portion in British Columbia, and the section from Thunder Bay to Red River. Now, what we had contended for was that a portion of the road at least should remain in the hands of the Government, so that the people should be protected — so that there should be no monopoly, no imposition of unreasonable tolls. I have also contended that this large amount of land should not be entirely at the disposal of the Syndicate, but the Government should regulate the sales of it, and insist on their being all sold within a reasonable time, and thrown on the market at reasonable prices. We know the evils of keeping large tracts of lands in the hands of companies. The other day, when I referred to the Canada Company's lands in Ontario, although their business had been managed in a manner creditable to all connected with the management, yet we know that the result has been to draw immense sums of money out of this country. And yet, in that case, there was an investment of only $1,000,000 in the first place; there was only sold 2,000,000 acres of land, and yet, as the lands have sold at an average of $10 an acre, 20 millions of dollars, besides interest, is being drawn out of the country. I do not blame the Company. They have acted within the law, and their officers have discharged their duties faithfully. So it will be with this Syndicate. Some hon. gentlemen refer to the Syndicate as being composed of men of very high character for honor and integrity, and of very patriotic feeling — as though they would not take the highest prices they could get for these lands. Most undoubtedly they will, whether they sell them *en bloc* or to settlers — they will realize all they can get. That has been the experience in every Western State where lands have been given to railway companies, and so sad has that experience been to the people that no candidate for the State Legislature or for Congress could for a moment be returned if he advocated giving large grants of land to railway companies. They have shut down on that system of building roads, and here we are adopting their exploded ideas, which they have proved by experience to be most injurious to the country and oppressive to the unfortunate settlers. I know that the argument used in favor of giving up the lands to a company, is that the Government cannot manage these matters without a good deal of corruption and creating dissatisfaction; they will give contracts, perhaps, without due consideration and without advertising for tenders. That is their own fault if they do so. We know that there is one Department of the Government that is reasonably managed, and I am glad to know that is the Department which my hon. friend is at the head of — the Post Office Department. We know that in that Department there is a great deal of work done, there is an immense organization, and the travel of the mails under our Post Office Department amounts to sixteen millions of miles per annum; the letters carried to 45,000,000 ——

Hon. Sir ALEX. CAMPBELL—That is not before the Committee.

Hon. Mr. REESOR — I use it for an illustration. It will not hurt the Government at all events. The money orders amounted to $7,000,000; the number of savings banks to 297, and the deposits on the 30th of June, 1880, to $3,947,669. There are 6,000 officers in that Department, including postmasters; and the revenue of the year amounts to $1,648,000. I simply refer to that because it is something that has become systematized, and it proves that these large departments can be worked satisfactorily. The Deputy-Head, whose duty it is to look after everything in connection with it, would report at once if there was anything wrong, no matter what Government might be in power. Everyone interested in the carrying of mails, everyone who receives letters, would very soon report if anything was done wrong. I maintain, on the same principle, there would be no difficulty in the way of the Government holding at least those portions of the road which are known as the Thunder Bay section and the Pembina Branch, forming the outlet and inlet to the whole North-West. Other companies should have the privilege of passing over both these lines from the prairie country. If you choose, let the Company work all the rest of the road from the Red River to the Pacific Ocean, and let them have running powers on proper conditions. That would be the wisest course; but the Bill makes no provision for a possible resumption of any part of it. You leave it entirely in the hands of the Syndicate, and if at any future time the country finds it desirable to have control of any part of it, they can take possession in only one of two ways — either by purchase or by force. You make no provision for arbitration. We know how corporate privileges develope, and how difficult it is to get rid of them when they once become fixed. We know that this country was thrown into rebellion in consequence of very trifling things in comparison with this. We know what the clergy reserves did for Ontario, and the seigniorial tenure for Lower Canada. We know what troubles were created by the land owners in Prince Edward Island. All these evils have been removed after years of agitation and a good deal of expense and difficulty, but here we are, in face of past experience, repeating the evils a hundredfold.

Hon. Mr. SMITH — Put them out at the next general election.

Hon. Mr. REESOR — I would rather see the Government in power a reasonable length of time than have this millstone placed about our necks. To turn them out at the next general election would be like locking the stable after the steed had been stolen. I desire to say, if the resolution is lost or ruled out of order, I shall move it again when the Bill comes up for the third reading.

Hon. Mr. MACFARLANE — I sympathize a good deal with my hon. friend, because I know this question has given him a good deal of trouble. He was one of the gentlemen who, during the recess, underwent the fatigue and labor and toil of appealing to the people at public meetings, and I read with pleasure the speeches he made to constituencies in the west, endeavoring to urge on them the extreme importance of this railway, and the great danger of this contract to the country. He has talked this matter up continuously, and I am satisfied that he is sincere in his motives, although his fears are undoubtedly ill-founded. My hon. friend from Prince Edward Island (Mr. Haythorne) also felt serious alarm at the great ruin that was to come to the Dominion, and he betook himself during the recess even to the far distant Province of Prince Edward Island to enlighten the people there on the subject; and yet, after all the toil and labor of these gentlemen, there does not appear to have been any very large result from their operations, so far as the country is concerned. We were led to believe before the recess that the country was in a fearful ferment, that it was only necessary to let members of Parliament return to their constituents, and we would have the people in such a state of excitement by the time Parliament re-assembled there would be no doubt the contract with the Syndicate would be thrown out of both Houses immediately. My hon. friends in Opposition appear to have been animated with hostility to the North-West ever since we have had anything to do with it. Some years ago when the right hon. gentleman who is now at the head of the Government was endeavoring to show the importance to this North-West country, and sought to purchase their interest therein from the Hudson's Bay Company, he met with the same opposition. It was said that the sum he was giving — £300,000 — was a most extravagant price. Yet, who does not now feel that if in addition to the £300,000 we then paid to the Hudson's Bay Company for that territory and the twelve and a half millions of acres of land that we allowed them to retain, if we had largely increased the price, it would have been a wise investment for this country. Every step that has been taken to develope the North-West, except what has been done by the hon. gentlemen themselves, has been all wrong. My hon. friend from Markham, who is so indignant at the policy of this Government, was mild as a lamb when his own friends were controlling the finances of the country and recklessly spending millions in all portions of the North-West. We did not hear those indignant remarks then. This country has been fruitlessly agitated for ten long years on this subject, and, I believe, if we had taken the Allan contract, at even a larger sum than it would cost the Dominion, and allowed a company to develope that country, and not lost the years which have gone by, the Dominion would not only have been better situated, but the money involved would have been well and wisely invested. But the gentlemen in opposition opposed that contract, and succeeded in defeating it. There is no doubt that the excitement they raised here and in the Old Country was the principal cause of the defeat of that contract. The same tactics are resorted to now. They are ready to do anything to prevent the Government from developing that country in the hope that by some means or other Providence will give them an opportunity of obtaining power once more. Everybody knows that whatever offer this second Syndicate might have made, they had no fear of being obliged to build the entire road, and my hon. friend the ex-Secretary of State, and his party, if they came into power, would have released them from the construction of both ends of the line. Their object was to construct only the prairie section, and the Opposition are doing everything in their power to thwart the construction of an all rail highway on Canadian territory crossing the continent. They hope by delay, or by some special interposition to get into power. Notwithstanding the large vote that has been taken here, showing more than a two-thirds majority in support of the principle of the Bill, my hon. friend from Prince Edward Island attempts now to introduce a resolution to overturn the measure, and leave us where we were before. I do not propose to meet the various objections which have been raised, because, after having spent a week in debating the subject, and after the very long and able speeches delivered on both sides, I am satisfied that everything which could be said, or will be said, against the contract, has been stated. I am satisfied if we were to continue debating it here, the hon. gentlemen, with all their ingenuity, could only repeat their arguments. I believe the contract is in the interests of the country, and the quicker we let the Syndicate get to their work, the better it will be for the Dominion, and I venture to say that, though the Opposition assert there is going to be a great monopoly, that so long as the country deals with the Syndicate in good faith, if that Syndicate should attempt to interfere with the progress of the North-West, the people of Canada will always find a means of relieving themselves. They will never permit an unjust monopoly to exist in this country. It has never been permitted hitherto. I remember, when we first came up from the Maritime Provinces to the capital here, everyone was alarmed at the power of the Grand Trunk. We were told that it made and unmade governments, but as the country increases in population and extent, the influence of the Grand Trunk ceases to be feared. Canada is too large for any arrogant monopoly that interferes with the rights and prosperity of the people to be able to hold its ground. All those objections which have been raised have been completely met, and I repeat that if, in the future, the people of Canada have any reason to feel alarmed that they will be ground by a monopoly, they will always be able to relieve themselves.

The amendment was declared lost, and the clause was adopted.

Hon. Mr. VIDAL, from the Committee, reported the Bill without amendment.

Hon. Sir ALEX. CAMPBELL moved the third reading of the Bill.

Hon. Mr. SCOTT — In my judgment, it is extremely important that the policy laid down some years ago with respect to the grades of the road between Thunder Bay and Red River, particularly those coming east, should be adhered to. We know very well, if the produce of that country is to be transported to the seaboard, it will have from its centre (assuming that to be 500 miles West of Winnipeg) to be carried through 1,000 miles eastward. The late Government, and, I presume, the present Government, had in view the most important feature in that road, that the grades coming east should be such as to enable freights to be carried at the lowest possible figures. I will read what Mr. Fleming said on that subject in his report of 1877 : —

LOCATED LINE FAVORABLE FOR CHEAP TRANSPORTATION.

"I have described the efforts that have been made to obtain a line with the easiest possible gradients from the Prairie region to the navigable waters of the St. Lawrence, and the permanent importance of this feature. Reference to a table in the appendix, which gives a summary of gradients for each hundred miles section of the railway between the Lake Superior terminus, and Tete Jaune Cache shews that there is no gradient ascending in either direction exceeding 1 per 100, or 52-8 feet per mile, and with one single exception, viz., at the crossing of the South Saskatchewan, the heaviest gradient ascending eastwards from a point near Battleford to Fort William is only 0·5 per hundred or 26·4 ft. per mile. I feel satisfied that a revision of the location at the one exceptional point will, with but trifling cost, result in obtaining the desired gradient there also.

"Assuming the gradient at the South Saskatchewan to be amended, I am enabled to report a location on which for fully a thousand miles west of Lake Superior the easterly ascending gradients can be kept down to half the maximum gradients on the Grand Trunk, and other railways in operation in the older provinces. Cheapness of transportation is thus, to a certain extent, assured, an inportant element in facilitating the prosperous settlement of the fertile territory in the interior.

SUMMARY OF GRADIENTS.

The following will show the remarkably favorable gradients secured on each 500 mile section of the line west of Lake Superior; and the accompanying diagrams (Sheets Nos. 6 and 7) will clearly illustrate this feature of the line:—

Section of 500 miles each, west of Lake Superior	Ascending East.				Level.	Ascending West.			
	Under 16 feet per mile.	Above 16 feet and under 26½ feet per mile.	Above 26½ feet and under 53 feet per mile.	Total.		Under 16 feet per mile.	Above 16 feet and under 26½ feet per mile.	Above 26½ feet and under 53 feet per mile.	Total.
First 500........	74.97	130.31	....	205.28	143.00	61.24	27.71	62.77	151.72
Second 500........	68.24	79.84	....	148.08	170.50	94.77	43.01	43.64	181.42
Third 500........	38.78	46.55	93.76	179.09	131.55	38.17	43.12	108.07	189.36
Total miles, 1,500..	181.99	256.70	93.76	532.45	445.05	194.18	113.34	214.48	522.50

"Thus, on that portion of the line located and established for a distance of 1,500 miles, there will be close on 1,200 miles level, or with gradients of 26½ feet per mile, and no portion of the balance will rise more than 53 feet per mile.

"It has already been stated that the line throughout its whole extent will compare favorably in all important particulars with the trans-continental railway extending from San Francisco to New York. "The difference between the gradients of the two is indeed remarkable when it is considered that the crest of the Rocky Mountain chain attain the highest elevation to the north of the international boundary. The Canadian Pacific Railway, however, will run through the mountain masses by low lying passages which do not exist on the more southern route. I have prepared a general profile of the line from Lake Superior to the Pacific Coast, and on this have shown in a brown color the profile of the line from San Francisco to Omaha (Sheet No. 6). An inspection will show at a glance the marked difference between the two lines."

Then he gives a profile of the Union Pacific Railway. I say with reference to this question that the grades advised by Mr. Fleming were followed in the construction undertaken by the late Government, and I assume, unless a change has been made very recently, that the contracts between Red River and Thunder Bay are being finished on the basis laid down by him, keeping the gradients considerably under 53 feet per mile, the greater portion of them being under 26 feet per mile. In order that hon. gentlemen may understand this I will quote the gradients of one or two railways in this country. The Canada Southern has probably the most favorable gradients of any railway in Canada, and it enables them to carry freight at a cost of one sixth of a cent per ton per mile. The cost to the Grand Trunk Railway of carrying freight is about double that. The gradients on the Grand Trunk are about 53 feet to the mile — that is the maximum; of course there are some very much below that, and it is will known, and it has been established by actual surveys, that that gradient might have been kept very much below what it is, and it would have been a great advantage to the road. In building a trans-continental road, considering the competition that we are going to have, if we are going to make a bid for the Asiatic traffic, the question of grades is a most important element. A railway when once built cannot well disturb its grades. It may reduce a hill here and there and keep down excesses, but in a limited degree. You can replace rotten ties, add ballast, and renew rails, but you cannot go under the roadbed and alter the grades. Once the road is constructed it is constructed for all time to come, and the question of grades, particularly when the haul is so long, is a most important one. I said the other day that I thought it was probable the Syndicate would run this road. Some hon. gentlemen doubted it, but I said I was not at all sceptical myself on that point; that I had very great faith in their intention to run that road, and in the future of the road making it worth their while to run it. I have felt for some time past that sections of that road will pay from the hour they are opened. The Thunder Bay sections and the Pembina Branch are now paying, and no one doubts that the road leisurely built west over the prairie section will pay. It will not be built on an expensive basis. You will probably have an accommodation train for freight and passengers — one train a day, or at some seasons of the year not more than three a week, just as the Northern Pacific Railway is run west from Bismark, to fulfil its obligations to the public and accommodate the traffic that it gets. I have no doubt of the intention of the Syndicate to run the road ultimately when it is completed. At a distance of fifteen years the profitable portions in the centre will warrant the running of the whole. I have always doubted the western end paying to run it, because I have very little faith in the Japan and China trade; before our road is finished there will be four or five roads terminating on the Pacific coast, all vieing for the Asiatic trade. These roads will have an immense start of us in point of time and connections. San Francisco is daily growing more and more the commercial centre of the Pacific coast, and we might as well hope that one of our inland towns will eventually be a competitor with New York for the trade of the West as that our western terminus will be a competitor with San Francisco for the Asiatic trade. But I regard it as a matter of higher importance that we shall be able to transport the grain of the West to tidewater at a cheap rate. We know that in the past, while famine existed in Ireland, for hundreds of miles west of Chicago farmers were burning their corn for fuel, as it did not pay to ship it by rail to New York. In view of these facts, it is of the highest importance that the railway should be enabled to haul its freight at the lowest possible figure. I do not desire to weary the House with this subject, but I should like to place on record my own opinion that there should be some restriction as to the gradients going east. I am not so particular as to the gradients going west, as the vast volume of trade will come east. I beg, therefore, to move in amendment that the report be not now received, but that it be referred back to the Committee, with instructions to add, as another clause to the Bill,—

> "CLAUSE A. — That the gradients in the Canadian Pacific Railway, coming east, shall not exceed fifty-three feet to the mile, unless the Governor in Council may otherwise order."

Whether the words "and the character of the railway" in the 3rd clause are sufficient to include the grades on the Union Pacific Railway, I am not prepared to say, but the grades on that road are known to run up all the way to 88 feet, and under this Bill it might be that the Government would have no power to compel the Company to adopt a lower grade than that of the Union Pacific Railway.

Hon. Sir ALEX. CAMPBELL — My hon. friend must understand that an amendment of this kind will have the effect of killing the contract completely. Whether my hon. friend desires to do that or not I do not know, but he must see that there is a contract entered into by the Government with the Syndicate, by which the Union Pacific Railway is selected as the standard of what has to be done. Now, that was done not because the Government underrated in any way the importance of the point to which the hon. gentleman has drawn attention — on the contrary, we were fully alive to the importance of it — but we understood that a heavier grade than 53 feet to the mile was not any objection for short distances, and it would be very difficult to lay down any specific number of feet to the mile as the grade to be adhered to for a railway across the continent. If all the engineers of Canada were assembled in this room to-day, they would be unable to say that 53 feet, or any number of feet, should be the exact or specific grade that should be adopted per mile for the whole distance. A grade might be adopted for the distance the hon. gentleman has alluded to from Thunder Bay to Red River, but to say that that should be the grade all the way across the country, would involve an enormous expenditure that the hon. gentleman has not contemplated. It is all very well in a level country to adopt a specific grade, but across the Rocky Mountains it could not be done. The Government did what they considered the best thing to do: selected as a standard, a road that runs across the same kind of country, a road that after a number of years of practical experience has been found to have been so constructed as to have carried on successfully and advantageously a very large and profitable business, and said if we could accomplish a work of the same character through our own country, with the same grades, and capable of accommodating a similar traffic, we should have acted in a business like way. We find that the Union Pacific Railway carried in 1873, 174,000 passengers 95,000,000 of miles, and that they carried 487,000 tons of freight 223,000,000 of miles, and that after paying all expenses they had a net profit of $5,291,000. Now, I say when a railway carries that number of passengers and that quantity of freight over so many miles, and realizes so many millions of dollars profit on the working of it, the gradients of that road are such as we can safely follow, and that was the standard we adopted. But we have in addition to that the fact that those contractors are to run the road for all time; and where men are not only to build a road, but to run it, they are sure to get as near as they possibly can, with any reasonable expenditure, to what is the most advantagious mode for carrying on their business. The bulk of the vast traffic of that country will come east, and, of course, they will endeavor to favor that business, and avoid, as far as can be avoided, any difficult gradients, and where they do make them they will make them as short as possible, to favor the business of the country. The Canadian Pacific Railway will be over 2,000 miles; it will cross two successive ranges of mountains in the west, and how can you say that a road going through such a difficult country, where no one can calculate the obstacles that are to be surmounted shall have a specific grade laid down for it beyond which they shall not go? My hon. friend must see that the Government could only arrive at some conclusion by saying that they will take a road that runs through a similar country and has succeeded, and adopt it as the standard for our Canadian Pacific Railway.

Hon. Mr. CORNWALL — The hon. gentleman has remarked that the Company should take care that the grades coming east shall be favorable to accommodate the vast trade that will flow towards the Atlantic seaboard. That is quite right. But there can be no doubt in the mind of anyone who looks into this question that a very large proportion of the produce of the North-West will seek an outlet through ports on the Pacific Ocean. I happened to pick up a newspaper the other day called *The Colonies and India*, published in London in which I found a report of Sir A. T. Galt's paper which he read at the Colonial Institute, and in connection with that report it had a leading article which bears on the subject to which I have alluded. With the permission of the House, I will read a short extract from it. Speaking ot Manitoba, it says: —

> "With rich, virgin soil, seven feet deep, capable of producing almost any crop without the slightest care being bestowed upon it beyond that of planting and reaping, it is no wonder that the great North-West Territory should yearly invite increasing numbers of immigrants, not only from England and the rest of Europe, but also from the eastern provinces of the Dominion itself; and the importance of the Pacific Railway lies in the fact that it will assist the settlement, which now proceeds under difficulties, and will bring the produce of the new lands into direct communication with the ports on both the eastern and western seaboards. British Columbia—a province containing vast mineral resources, including gold, iron, coal, silver and lead, with fertile agricultural land, vast forests and prolific fisheries—will be brought into direct communication with Europe, instead of being left "out in the cold" on the other side of the Rocky Mountains as hitherto. Here, too, we wish to urge the importance of the construction of the Pacific Railway in connection with the Panama Canal scheme. So soon as the canal shall have become a *fait accompli*, a revolution will be accomplished in the course of trade between England and the Pacific coasts of America and Asia. Just as English ships have been the principal supporters of the Suez Canal, so English ships will be the chief customers of the Panama Canal Company, and not merely English ships, but Colonial, and particularly Canadian, vessels will, without doubt, largely avail themselves of the

facilities which the canal will afford of easy communication by water between the Atlantic and Pacific ports. The opening of the canal is probably half a generation distant, and long before then the completion of the Canadian Pacific Railway will, we trust, have given an impetus to trade on both sides of the great dividing range of the Colony; but the prospect of the influence which the canal will have in directing the course which that trade will take should urge the Canadian Government and people to an increased determination to complete the railway without delay; for while its gradual construction will all the time be developing the commercial growth not only of British Columbia and the North-West Territory, but of the whole Dominion, it will, when completed, form the principal channel for the trade which it will have created. Although Canada has the inestimable advantage of water communication, by means of its great lakes and its splendid canal system, almost into the heart of Manitoba, it is possible and probable that the produce of the regions on either side of the Rocky Mountains would not bear the cost of railway carriage to Montreal, or even to the nearest point of Lake Superior; such produce would probably be shipped to Europe *via* Cape Horn, until the canal is opened, when a large portion of it would be diverted through that channel. The same argument applies to the produce of the Western States of America; and if, therefore, the Canadian Pacific Railway were to be delayed we should be leaving the advantages which the canal will confer entirely in the hands of the United States, so far as the carriage of agricultural and mineral produce is concerned. On the other hand, with the completion of the railway, the grain-producing and cattle-raising lands of the North-West will be placed in more direct communication with the Pacific than the adjoining and rival lands in the United States, and, canal or no canal, Canada will have the advantage over the States."

Now, that struck me as being particularly applicable in the discussion that is at present going on in this House. What I wish particularly to show is that it is necessary as far as possible to have the grades, not only going east, but also going west, of as favorable a character as can be arranged.

A vote was then taken on the amendment, and it was rejected on the following division:—

CONTENTS:

Hon. Messrs.

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Haythorne,
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Wark.—14.

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Almon,
Archibald,
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Botsford,
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Buli,
Campbell, Sir Alex.,
Chapais,
Cornwall,
Dever,
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McLelan(*Londonderry*),
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Macfarlane,
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Read,
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Sutherland,
Trudel, and
Vidal.—37.

Hon. Mr. SCOTT — The next proposition I beg to submit to the consideration of the House is one which contemplates giving option to the Government, under sanction of Parliament at any future time, to acquire this road from the Syndicate. It has been almost the invariable practice in the consideration of measures granting aid or assistance to any large public enterprises, that in consideration of that subsidy power is reserved in the legislation authorizing Parliament at any future time to assume the work on paying the parties that have been incorporated such sum as is fair, and just and equitable. I may say the Government have the right by giving one week's notice to acquire the Canada Central Railway which will, no doubt, one day, be merged in the Canadian Pacific Railway, as its owners are members of the Syndicate. We know that in Europe the trunk lines are directly under the control of the Government, and I think we, all of us who have watched the current of public opinion of late years, must have come to the conclusion that there was a very considerable opinion abroad that it would be a wise policy for the Government to hold at least the trunk lines of railway and thus prevent the gross extortions that have been practiced on the public. We know that the British Government have absorbed the telegraph lines in that country, and they are now owned and controlled and operated by the Government. I do not see how the great evil of monopoly that is prevalent in the United States is to be prevented unless some arbitrary legislative power is given to the Government to own and control the lines there. It would be very interesting were I to recount the extraordinary doings of railway corporations in the United States. They form the subject of several articles in magazines of the day, and, no doubt, hon. gentlemen are somewhat familiar with them, the policy of these roads being to get from the public all the public will stand. A very amusing story is told of a scene in a railway office of a railway leading to the city of San Francisco, where a party goes in to make arrangements for the carriage of ore. He is asked what percentage of metal it will average. He replies, "It is none of your business; that's our business. I want to get the price of freight." The agent persists, "We want to know what the ore will yield per ton." He is told it will yield $30 per hundred pounds. That fixes the price. Another man comes to make arrangements for the transport of ore that yields $60 per hundred pounds, and the railway agent doubles the rate. Another man comes in with a very rich find, and he is charged freight rates in proportion to the richness of the ore. The whole rates are fixed according to what the traffic will bear. We saw last year the rates on corn run up at least forty per cent. between July and September. It was found that the demand for American grain was increasing in consequence of short crops in Europe, and the railway companies at once put up the rates of freight in proportion to the increase in the price of grain. I think it would be better if this Bill contained a clause allowing the Government, hereafter, if Parliament should deem it advisable, to take over the road from the Syndicate, by giving them a fair and reasonable remuneration. I, therefore, move that the report be not now received, but that the Bill be referred back to Committee to be amended by adding the following clause:—

> "CLAUSE B.—The Government of Canada shall at all times have the right to purchase, under authority of Parliament, the Canadian Pacific Railway, on payment of a sum equal to the actual cost of the railway, including all incidental expenses, and ten per cent. in addition thereto. The subsidies in land and money granted or paid by the Government for the construction of the said railway being first returned or deducted from the amount to be paid, the lands sold being valued at the full amount the contractors may have received from the sale of such lands as may have been sold."

The amendment was declared lost on the same division.

Hon. Mr. HOPE — I rise to move the following amendment:—

> "To leave out all the words after 'be' and insert 'committed to a Committee of the Whole House to be amended as follows:'—
>
> "Page 3, line 17.—After 'Contract' insert the following as Clause C:—
>
> "'The Government shall appoint two Directors, who shall be entitled to sit and vote at all meetings of the Board of Directors of the Company.'"

Now, I may explain that this Syndicate that we have heard so much about will in a short time go out of existence, and be merged in what they call a company. We do not know what the company is going to be; we do not know who it is to be composed of; and, therefore, I would like to see the Government, of the country with some sort of surveillance over their actions. I believe that is the mode adopted by some of the provinces. They have Government directors who have given much assistance to the road. I think it would be some satisfaction to the country to know that two Government directors, or three for that matter, which would depend a good deal on the number of directors the Company would have, should be appointed, so that the Government would know what the Company intended to do, and be warned in time for them to take action if necessary. I do not know what the Company is to be. Therefore, looking at it in that light, I think it would be a great improvement in the Bill if that amendment were adopted.

The amendment was declared lost upon the same division as the former one.

Hon. Mr. SCOTT moved:—

> "That the said Bill be not now read the third time, but that it be resolved, that in the opinion of this House some provision should be made in the said Bill whereby the railway systems of Quebec and Ontario would be enabled at the earliest possible period to secure connection at Sault Ste. Marie with American railway lines now being constructed in that direction, and also with steamers running between the Sault and Thunder Bay, thus affording by the former an outlet *via* the St. Law-

rence for the vast volume of American produce that would thus secure the shortest route to European markets, and giving by Lake Superior steamers the shortest possible route, during the season of navigation, for emigration traffic between Montreal and the North-West, and at least seven years sooner than will be obtained by the all-rail route under the provisions of the said Bill."

He said—In submitting this amendment for the consideration of the House, I shall make a few observations, and in doing so I desire to reply to my hon. friend, the member from Lunenburg, who seemed to direct some observations to myself, as to what he supposed was my new born zeal in favor of the Sault line. He speaks of my conversion being a recent one, and says that I had on no former occasion advocated the Sault route. He expressed some surprise as to why I should — at this late date, as he says — advocate the Sault line. During the past two years I have hesitated making any speech on that subject, because it seemed quite unnecessary. This House requires no education on the great desirability of obtaining railway communication with the Sault. Last year, particularly, there was but one echo, advocating the construction of that road, simply echoing the sentiment outside coming from leading journals, and they recognized from the great attention that was given to that road that no doubt its early construction would be secured. I did not feel that I would do any special good by drawing attention to the subject. I am not egotistical, and I did not desire to say what I had said or written in former times on that subject. I may tell my hon. friend that this Sault connection, or, at all events, connection with Lake Huron, engaged the attention of the people of Canada, both east and west, as far back as a quarter of a century and more. In 1856 there was passed by Parliament what is known as the Quebec & Lake Huron Act. Under that Act the Parliament of Canada, at that early date, thought this project of such importance that they donated 4,000,000 acres of land for the construction of a line to connect the railway systems of the two provinces with the waters of Lake Huron. I believe it was the first land grant made by the Parliament of Canada in aid of railways. The project was a very large one. It is unnecessary to say that at that time there was no railway on the north shore of the St. Lawrence; that line was not built until nearly twenty years after. The project at that early day was too large; it was in advance of the times, although the leading men of the country, and those who had in view the building up of a great export trade at Montreal and Quebec, felt it was important even then. A few years went over, and those who formed the Quebec & Lake Huron Company broke into smaller bodies, believing that they would act better under separate charters. One charter was granted to the Canada Central, and it had its share of the lands allotted it out of the 4,000,000 acres. The Act was passed in 1861. When Confederation came, as the lands passed into the hands of the local Governments, the allotments naturally fell through, except a portion earned for the Canada Central and subsequently received from the Ontario Government. So at that early period the minds of people, at all events in Central Canada, were directed towards securing a railway outlet in the west along the waters of Lake Huron. I think it was in 1864 or 1865 that a charter was first taken to go to the Sault. The Sault was not named as the objective point in the first Bill; but the Company had the right to construct to any point on Lake Huron. It is a subject upon which the people of Central Canada had for a long time taken a great interest, and, as a representative of the Ottawa Valley, I supported it with all my power from then until now. In 1872, I, as Commissioner of Crown Lands, made a large sale of timber limits situated on the shore of Lake Huron, realizing three-quarters of a million dollars. An agitation was then got up that that money should be devoted to the construction of a railway extending north of Lake Huron; but even then, it was in advance of the times, although there was a considerable current of public opinion in favor of it; but it was not sufficiently strong to warrant any Government in taking it up, and devoting that subsidy towards its construction. I must say, however, that I personally was in favor of it. I had an interview that year with Sir Hugh Allan, who took a great interest in it at the time of his

Peterborough speech. He came to Toronto to see about carrying out the project. With that sagacity which always characterized him in business transactions, he was no doubt looking to securing traffic for his magnificent fleet of steamers, and he saw in this railway a source of great profit; but it was in advance of the times. The American railways were distant from the Sault, and the only communication at that time would have been by the waters of Lakes Huron and Superior. I shall not go over the ways in which I have endeavored to call public attention to the matter since that time, and I should not have adverted to it but for the remarks of my hon. friend. I can assure him it is a project in which I have long taken an interest, believing it to be greatly in the interests of the Ottawa Valley and the cities of Montreal and Quebec. I feel it is a matter of very great regret that the policy — for I may call it the policy of the Government last year — with reference to the building of the Sault connection has been departed from. I think it is a very great mistake, and I warn my friends from Quebec that they will see, in the future, that it is a mistake of a very grievous character, affecting the value of the North Shore system. That railway was built for the purpose of obtaining connection with the Sault. I dare say the railroad between Quebec and Ottawa would not have been constructed for local traffic merely, although I am happy to see the local traffic is much greater than was anticipated. But they looked for something further, and would, no doubt, have obtained through traffic had this Sault connection been constructed. But the Syndicate have other ends in veiw. At all events, so far as this Government is concerned, and so far as the Syndicate is concerned, for ten long years we should have no railway connection with the North-West except such as we have now, even if they complete the line within the period which has been named. But, as the leader of the Government, or as the hon. the Speaker, in addressing this House, said, it was a road of such importance that, no doubt, private companies would take it up. I agree with him. I believe it is highly important that that traffic should be tapped by roads leading to Toronto and other cities. We know that the Pacific Junction Railway is backed by very powerful influences. That it represents a number of railways, including the Midland, the Northern, and the Hamilton and North-Western, and I am not sure but one or two other lines. My hon. friend opposite, who is President of that Company, can, of course, put me right if I am wrong. That Company must naturally, if it has any regard for itself, take up this line and build it; and what will be the consequence? That this trade, which for nearly a quarter of a century we had hoped to see coming down by way of the Ottawa Valley to the St. Lawrence to swell the commerce of Montreal and Quebec and the country east, will be entirely lost. That trade, diverted as it will be towards Toronto, will probably, to a very considerable extent, find its way back to the United States *via* the Suspension Bridge, just as a good part of the trade which comes in by Detroit, goes out again over that bridge. It will be carried over that part of Canada, and I have no doubt a fraction of it will come down by the Grand Trunk and find its outlet at Portland, but so far as Eastern Canada is concerned the benefit of that trade is entirely lost and gone. It will, no doubt, benefit Toronto and the Port Hope section largely; and speaking in that interest I certainly hope that the road will be built, even though we are to receive no benefit in this section, rather than not see it built at all. I am not selfish in that particular. If we are not to have that trade in the valley of the Ottawa, and if it is not to seek European markets *via* the St. Lawrence, I hope it will find its centre in Toronto. But my hon. friends must be aware that in their zeal for party, rather than for the country, they have rather overshot the mark; in their desire to sustain the Government pledge in this matter they have sacrificed the interests of their own country. Unless the Syndicate absorb, as they possibly may, the North Shore road, the Province of Quebec will find itself a large loser by that trade slipping away from it. There can be no doubt of that. If the Pacific Junction Railway is extended it certainly will not come to Callendar station in the east. There is no use of going there and waiting for the

Pacific Railway for ten years. They will naturally cross the French River as near as possible to its mouth, and skirting Lake Huron reach Sault Ste. Marie; and what will be the effect? It will give Toronto and Western Ontario the whole benefit of the trade of the North-West. Hamilton and Toronto will be the outlets of that trade, but eastern Canada loses it entirely. It is patent to every gentleman who looks into it, and considers the present position of railways, and the attractions that are offered by the several railway centres. Toronto with the enterprise which she can naturally show — Toronto which has done more to make itself a railway centre than any other city in Canada, will, no doubt, compete for this trade, and if they construct that line, as I believe they will, they will secure that trade; but it would be lost to the St. Lawrence. A very considerable portion of it will go to the south, to New York, and those who live east of us, more particularly those who come from the Province of Quebec, will find that when that is done they have lost the golden opportunity of securing the very best trade that could be found for their system of railways.

Hon. Mr. SMITH — I am surprised that, at the last moment, the hon. gentleman who leads the Opposition in this House can find no other way to occupy our attention than by raising a question to cause sectional feeling. Having failed to carry his point, and when he finds that the Bill is about to be read the third time, he makes a sectional appeal to the representatives of the Lower Provinces, and insinuates that they do not know how to take care of themselves and are ignorant of what they are doing. He also calls attention to the fact that Toronto is bidding for its rights. Even those who have engaged in this contract admit that Toronto is entitled to what it asks, and when those gentlemen now connected with that great undertaking do not complain, but, on the contrary, say they are willing to give Toronto and the West fair play, it ill becomes the leader of the Opposition in this House to try and raise sectional feeling, and tell the representatives from the east that they do not know what they are doing.

Hon. Mr. SCOTT — That is patent to everybody ——

Hon. Mr. SMITH — I say it is unbecoming in the hon. gentleman, who has been well used by the people of Ontario — and he has no right, at the last moment, to try and raise sectional feeling against it. When Toronto or Ontario asks for anything but what is fair and just, that moment I will stand out and vote against her; but we will not be cut off from the trade of the great North-West; we will not see the whole of it pass to the north of us without, at least, struggling for a portion of it. The hon. gentleman goes on to show that the greater part of the traffic will go to the United States; does any hon. gentleman think that possible; would it not, after reaching Toronto, take the Grand Trunk, or go down the St. Lawrence?

Hon. Mr. SCOTT — Is there no trade between Toronto and New York now?

Hon. Mr. SMITH — Very little.

Hon. Mr. SCOTT — How does the hon. gentleman import his own goods!

Hon. Mr. SMITH — Grain does not go to New York, and the "hon. gentleman" imports most of his goods by the St. Lawrence when the season permits of it. When navigation is closed we have to take other routes. But Ontario wants nothing but what is fair, and will ask nothing more than that from this House.

Hon. Mr. SCOTT — I am not finding any fault with Toronto or Ontario. Under the arrangement, as it existed up to the present time, it was supposed that the Pacific Junction and Canada Central were to be on equal terms; there was to be fair competition, both having equal advantages. What I say now is that Quebec does not bid for that trade. What I said was that I was glad it was going to some part of Canada. I wish to see it go down the Ottawa Valley; Quebec says no. She does not want any connection there. I say if that is their opinion, I wish all success to Toronto enterprise. I stated that Toronto had shown an immense deal of enterprise, considering its population and wealth;

and that I was glad that there was that connection, and that it centred in Toronto — that it would be a valuable thing for Toronto, if Eastern Canada was not to get it.

Hon. Mr. READ — That resolution seems to set forth a rather curious proposition, to my mind — that a road that is aided by the Government, and of which about 650 miles is to be constructed, will not be built in less than ten years; while the Sault connection, which is about 403 miles — though receiving very little public aid — can be built in three years. It seems ridiculous to believe that the Syndicate, with the liberal aid which they receive from the Dominion — cannot, if they choose, build this road north of Lake Superior in as reasonable time as the road to the Sault can be constructed. I cannot agree to such a proposition.

The House divided upon the motion, which was rejected on the following division:—

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Hon. Mr. WARK — The motion of the ex-Secretary of State referred to a very weighty undertaking. I do not want to propose anything of so serious a nature, but we have to construct a line from Pembina to Winnipeg, and we are constructing another line from Thunder Bay to Winnipeg. These are the two main outlets from that country. We are about to hand them over to the Syndicate, and I am quite willing that the Syndicate should hold and enjoy them as long as they are willing, when other railways are constructed, to give them the right to run on this section on fair and equitable terms — to do the work of the public at reasonable rates. I think as a necessary safeguard, when we allow them to operate these roads for ten years, they should have the use of them for five years longer, or as much longer as the Government thinks proper to allow them to use them. I hope there would never be any necessity for interfering with them, but we do not know who will be operating or controlling those roads fifteen years hence. What I propose therefore, is, to insert a clause in the Bill which shall authorise the Government, at the expiration of fifteen years from the time these roads are transferred to the Syndicate, to acquire them by paying for any losses that may have been sustained in connection with them up to that time, and to still ensure to the Syndicate the right of running over them for all time. This will give the Government a certain control, which I hope they will never find it necessary to use, but which I think the Government ought always to possess. I therefore move —

> "To leave out all the words after 'be and insert 'committed to the Committee of the whole House to be amended as follows' :—
>
> "Page 3, line 17.—After 'Contract' insert the following as Clause D :—
>
> "From and after the termination of fifteen years from the date or dates which the Pembina Branch, and the line between Lake Superior and Winnipeg, shall be transferred to the Company, the Government may, if they deem it necessary for the public interest, acquire the said roads or either of them, by paying the loss, if any, sustained by running them and securing to the Company running powers over them."

The amendment was rejected on the same division as the preceding one.

Hon. Mr. SCOTT — It was my intention, on the third reading of the Bill, to have answered the points raised by hon. gentlemen in this debate, and also to justify in some degree the Government of which I have been a member. I have heard a great deal of recrimination drawn into this debate, which might have been avoided; but as a good deal of my observations would be of a personal character, and as I notice that the House is extremely impatient, I will exercise much charity and omit that. I confess, however, I feel it was in extremely bad taste for some hon. gentlemen to use the opportunity to make thrusts at the late Government. Perhaps on some future occasion I shall have an opportunity of adverting to this subject, although it is just as likely I may not. There is, however, a point which is somewhat new, to which I draw the attention of the House, as a mere matter of information. Since this debate commenced, a very important paper prepared by the auditor of the Pacific Railway accounts has been presented to Congress at Washington. It is a paper that contains a very large subject for thought in connection with grants of land in aid of railways terminating at the Pacific coast, and many parts of it would be very useful for us to consider and discuss in connection with the project just now under consideration. But I suppose at this late hour the House is unwilling to do even that. I wish, however, to establish one point that I desire to make, and that is that the cost of building railway lines now, under an improved system and under proper management, is very different from the cost of building railway lines even ten years ago. I will take the absolute cost of so much of the Pacific Railways in the United States as have been constructed, and I will read to the House the aggregate cost to the United States per mile. The Northern Pacific has already had expended on the 680 miles constructed $21,300,000. The Union Pacific has had expended on it $318,000,000—their mileage of course is very large, being 3,314 miles, including branches, On the 175 miles built by the Atlantic and Pacific they have expended $13,000,000, and on the 579 miles constructed by the Southern Pacific they have spent $64,750,000; and on the Texas Pacific, the fifth American Pacific Railway, they had expended $27,000,000 for a distance of 440 miles. The cost per mile was, therefore :—

On the Northern Pacific Railway	$30,000
On the Union and Central Pacific Railway	93,000
On the Southern Pacific Railway.....	91,000
On the Texas Pacific Railway........	61,000

The average cost of the five American Pacific railways, therefore, is $82,000 per mile. Now, these companies have these three estimates of what the unconstructed portions of their line, under proper management, can be built for, and it is estimated that the Northern Pacific will be built for $26,000 per mile. The Union Pacific will be completed for $40,000; the Atlantic and Pacific for $25,000; Southern Pacific for $30,000, and the Texas Pacific for $30,000. The auditor of railway accounts has also prepared, from official sources at his command, what the cost of building these lines would be at the present rates paid for railways that are running parallel with and adjacent to them in certain sections of the country; and that is the particular point to which I wish to draw the attention of the House, that they may see how grossly in excess has been the amount paid for the construction of nearly all those American Pacific railroads, as compared with what they ought to have cost. I desire to call attention to it that the House may bear in mind — in defining the word "capital" in the Bill to be submitted to us—to be careful, as it is a very important element in a consideration of that question. The Northern Pacific has a mileage of very nearly the same as our own road, and the present cost of it is estimated at $75,000,000. The estimated cost of the Union and Central Pacific would be $91,000,000; of the Atlantic and Pacific, which is 2,500 miles long, $50,000,000; of the Southern Pacific, $23,000,000; and of the Texas Pacific $47,000,000. The cost per mile — and this is worthy of note — if constructed now with modern appliances, and on a proper basis, would be: Northern Pacific, $28,000——

Hon. Mr. VIDAL — I suppose that is merely construction, not equipment?

Hon. Mr. SCOTT — I do not know whether it is or not.

Hon. Mr. VIDAL — That is an important item.

Hon. Mr. SCOTT — The cost per mile of the Union Pacific, instead of being $93,000 would be only $25,000 per mile.

Hon. Mr. READ — I suppose there is no consideration about its having been built with depreciated currency.

Hon. Mr. SCOTT — Some of them were, but others were not. The Atlantic and Pacific could be built for $25,000 per mile; the Southern Pacific for $20,000. The average cost of the five American Pacific railroads, therefore, at this day, would be $24,760 per mile. Now, it must strike us as a singular circumstance that in Mr. Fleming's report the cost of 2,700 miles of the Canadian Pacific Railway was very much in the neighborhood of the cost of the Northern Pacific. Mr. Fleming's last estimate was $84,000,000. By the estimate made recently by Mr. Schreiber, after this debate had been commenced, the Government think they are going to save $5,000,000 or $6,000,000 on the roads, and that would bring the amount down very nearly to the same figure as the cost per mile of the Northern Pacific, which is $28,000. We are to pay the Syndicate for building 2,000 miles of road $60,000,000, or at the rate of $30,000 per mile, which is in excess of what would be the cost to-day of any one of the five railways leading to the Pacific coast through American territory — over $5,000 per mile in excess of the average cost, according to the report of the Auditor of Railways, of those five roads. That is a very significant point, in my judgment, and that is entirely apart from the amount of the subsidy. And then it must be remembered we give the railway to the Company. I see that the House is somewhat wearied, and I shall not, therefore, offer any further observations.

Hon. Mr. REESOR moved to strike out the word "forever" on page 10, line 18, and insert "for 20 years." He said:—This amendment is to render the property of the Company subject to taxation after the expiration of 20 years—that is long enough to exempt them from taxation. We know, on all the railways that have been built in the United States, an average of $300 per mile in taxes is imposed upon them, sometimes upon the stock, and sometimes upon the property of the Company operating the railway; and that would amount to $27,000,000 of taxes collected from this source. In England $12,200,000 is collected annually in taxes from railways; and in France $19,155,000, besides the free carriage of their mails, troops, and public officers connected with the Government. Without detaining the House, I will simply press my amendment.

The amendment was declared lost on the same division as the preceding one.

Hon. Mr. REESOR — I beg to move the following amendment — that the Bill be referred back to committee, to be amended as follows :—

> "Page 11, line 46.—After 'Contract' insert 'provided always that the Government may have the option at any time of paying to the Syndicate cash in lieu of land at the rate of $1 per acre, as such lands may become due to the Syndicate.'"

If this amendment is adopted, if there is any profit to be made in the land, the Government will have it, and there will be no monopoly in the land.

Hon. Mr. ALMON — I did not hear exactly the remarks made by the hon. member from Prince Edward Island some time ago, but understood him to advocate that the Syndicate should be compelled to fence their lands. Now, as the lands will extend along the railway about 1,500 miles, and will be about twenty-four miles deep, and there is very little wood in the country, I would like him to explain how the fence is to be built? I will not call it nonsense, because the House has decided that that term is not parliamentary, but I do not see how you can make it sense any more than you can make a man a woman.

The amendment was declared lost on a division.

Hon. Mr. REESOR — There is one other amendment that I wish to submit, and which, I believe, the Government has already agreed to. It is as follows :—

> "That the Bill be not now read the third time, but that it be referred back to Committee to be amended. Page 19, line 30.—After 'railway' insert 'after deducting all sums paid by the Government in cash, or its equivalent.'"

It has reference to the reduction of tolls. By making this amendment in the Bill there can be no doubt as to the question of tolls; if we leave it to be settled by an amendment to the general Railway Act, it seems to me that it cannot apply to this Bill as it will be claimed that it has no retroactive effect.

The amendment was declared lost on the same division.

The Bill was then read the third time, on a division.

The House adjourned at 11.20 p.m.

THE SENATE.

Tuesday, February 15th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

THE PACIFIC RAILWAY BILL.

THE ROYAL ASSENT.

The **SPEAKER** informed the House that he had received a communication from the Governor General.

"SIR,—I am commanded by the Governor General to inform you that it is His Excellency's intention to proceed to the Senate Chamber to-day at 3.30 p.m. for the purpose of assenting in Her Majesty's name to a certain Bill passed by the Senate and House of Commons.

"I have the honor to be, Sir,
"Your most obdt. humble servt,
"F. DE WINTON,
"Lieut. Colonel, R. A.,
"Governor General's Secretary.
"The Honorable
"The Speaker of the Senate."

The House was adjourned during pleasure, and after some time was resumed.

His Excellency the Governor General being seated in the Chair on the Throne,

The Speaker commanded the Usher of the Black Rod to proceed to the House of Commons and acquaint that House: "It is His Excellency's pleasure they attend him immediately in this House."

Who, being come with their Speaker,

The Clerk of the Crown in Chancery read the title of a Bill to be passed as follows:—

"An Act respecting the Canadian Pacific Railway."

To this Bill the Royal assent was pronounced by the Clerk of the House.

His Excellency then retired and the House of Commons withdrew.

MONTREAL BOARD OF TRADE AND EXCHANGE BILL.

AMENDMENTS CONCURRED IN.

Hon. Mr. **ALLAN**, from the Committee on Banking and Commerce, to whom was referred Bill (J) "An Act to incorporate the Montreal Board of Trade and Exchange," reported that they had gone through the said Bill, and had directed him to report the same with an amendment.

The amendment was concurred in.

A CORRECTION.

Hon. Mr. **BULL** called attention to the fact that the votes on the Pacific Railway Bill and the amendments offered to it, were very incorrectly published in the press. His own name did not appear in any of them, while an hon. member who had voted against the Bill and for the amendments was made to appear as voting with the Government.

A QUESTION OF PRIVILEGE.

Hon. Mr. **ALMON** rose to a question of privilege. Yesterday, a motion had been introduced by the hon. Senator from Fredericton, and seconded by the hon. member from Cumberland (Mr. Macfarlane) for the appointment of a committee to investigate certain claims; afterwards, both mover and seconder consented to have it withdrawn. He (Dr. Almon) objected, under the impression that it could only be dropped by the unanimous consent of the House, yet, in spite of his objection, the motion was withdrawn. He wished to know whether he was correct in supposing that the rule required the unanimous consent of the House for the withdrawal of a motion.

The **SPEAKER** said that he did not understand the hon. gentleman to press his objection, but, on the contrary, understood him to withdraw it when the mover and seconder desired to drop the motion.

Hon. Mr. ALMON said he had persisted very strongly in his objection, as the hon. gentlemen who were near him could testify.

Hon. Mr. DICKEY thought it due to the Speaker to say that the question was put to the House and leave granted by the House to the mover and seconder to withdraw the motion.

Hon. Mr. ALMON repeated that his assertion could be substantiated by hon. gentlemen who were sitting near him.

INSOLVENT ACT AMENDMENT BILL.

SECOND READING.

Hon. Mr. MACFARLANE moved the second reading of Bill (39) "An Act to amend the 'Insolvent Act of 1875' and amending Acts." He said: This Bill is very short and easily understood. As gentlemen are aware, the Insolvent Act of 1875 contained a clause by which an insolvent on paying 33⅓ cents on the dollar, and satisfying the judge that his proceedings were honest, was entitled to his discharge. By the Act of 1877 that clause (among others) was repealed, and in its stead it was enacted that no insolvent was entitled, under any circumstances, to procure his discharge unless his estate paid fifty cents on the dollar. Subsequently, in 1879, the Insolvency Laws were repealed. It left some parties in this unfortunate position, that, while proceedings had been taken against them and their estates had passed into the hands of assignees, Parliament stepped in, and by repealing the Act left the judges powerless to discharge them unless they were able to pay fifty cents on the dollar. Cases of very great hardship have consequently arisen in many parts of the Dominion. Honest, straightforward men, anxious to pay their debts, but who had been forced into insolvency during the period of depression, were stripped of their property and left without the means of paying anything. Their properties were brought to the hammer when times were not propitious, and in many cases did not realize enough to pay the fifty cents on the dollar. This Bill is to repeal that clause of the Act which renders it imperative to pay fifty cents on the dollar, and to re-enact the original clause by which parties will be placed in exactly the same position that they would have been in if the Act of 1877 had not been passed. In compliance with the general opinion of the country, the Insolvent Act was repealed with beneficial effects in many cases, and it will probably be some years before another Insolvent Act will be needed. In the meantime it seems to be a case of very great hardship that honest men, through no fault of their own, should be driven to adopt either one of two courses — to remain utterly useless to society, or as has occurred in some cases, be driven from the country. While the amendments to the Insolvent Act were pressed upon us for two sessions, and we only yielded at last to the urgency of the other Chamber and passed them, this Bill comes up with a large majority in its favor, seeking to remove the restrictions placed upon these individuals. It is a simple matter, and is one, I think, that will commend itself to the good sense of the House. It can do no harm to anyone, and will relieve honest and industrious men from their difficulties. It will simply relieve those who were drawn into insolvency before the repeal of the Insolvent Act in 1879, and they can only be relieved if the judge thinks they are honest and entitled to a discharge.

Hon. Mr. DICKEY — I have serious objections to the passage of this Bill. The first thing that strikes one on looking at it is that it proposes not merely to revive a section of a repealed Act, but to alter the proceedings under the proviso contained in that repealing Act. My hon. friend who has charge of this Bill has not called the attention of the House to the provisions of the Act of 1877. I may state briefly that the Insolvent Act of 1875 placed the standard of persons entitled to a discharge under that Act at a payment of 33⅓ cents on the dollar, while the Legislature in its wisdom, in the year 1877, seeing the highly objectionable character of the operation of that Act, thought proper to pass this clause which is proposed to be repealed — that is to say the fifteenth section of the Act of 1877. Section 65 was the clause of the Act of 1875, which was applicable to the question of discharge of insolvents, was amended by adding thereto the words :

> "Provided that the judge shall not grant any discharge unless some one of the following conditions be established by proof, viz :—
>
> "1st. That a dividend of not less than 50 cents on unsecured claims has been or will be paid, or
>
> "2nd. That such a dividend might have been paid but for the negligence or fraud of the assignees or inspectors, or
>
> "3rd. That the insolvent had, previous to insolvency proceedings, mailed to each creditor, an acknowledgment of his insolvency, and no proceedings instituted for one month after mailing such notices, etc."

Now, there are the three classes under which any insolvent could at that time have applied for his discharge, and I may say in passing it that these sufficiently met the requirements of the case. At all events, it was the deliberate judgment of Parliament in 1877 that no insolvent should be discharged unless he complied with one or other of these three provisions. This remained the law of the land until 1880, and every person who became insolvent in 1877, 1878, 1879 or 1880 until the passage of the Act to which I am about to call the attention of the House, must have complied with the conditions of that law. Then came the law of 1880, and what is that law? That "the Insolvent Act of 1875 and the Acts amending it shall be and are hereby repealed, and no acts repealed by the said Acts or either of them, shall be revived." We propose by this Bill to revive a clause of the Act which has been repealed "provided that all proceedings under the Insolvent Act of 1875, and the amending acts aforesaid, in any case in which the estate of an insolvent has been vested in an official assignee may be continued and completed thereunder." Now, in this Act of 1880 no person could be discharged or could apply for his discharge unless he was prepared to show that he had complied with the provisions of the Act of 1877 ; that is to say, that he must show that he could pay 50 cents on the dollar or had complied with the other conditions. It was the deliberate judgment of Parliament that he could do one or other of the two things, to which it is hardly necessary to ask the attention of the House, because it does not enter very much into this question. That was the law passed only some nine or ten months ago, and now we are asked to alter that law and to repeal it so far as we can; not only to do that but to revive a section under the Act of 1875 which was repealed by that Act, because this Bill says : "the 14th and 15th sections of the Act (the 15th section is the one I have just read from the Act of 1877) are hereby repealed and the 58th section of the Insolvent Act of 1875 is hereby revived." That is to say, although Parliament, in its wisdom, only nine or ten months ago——

Hon. Sir. ALEX. CAMPBELL— Four years ago — in 1877.

Hon. Mr. DICKEY — I re-assert that although Parliament, in its wisdom, only nine months ago, had repealed that section and repealed the whole law, yet we are asked to revive that section and make it applicable to all proceedings that were before the courts in 1877, 1878 and 1879, because this Act goes on to say :—

> "The provisions of the Acts hereby repealed shall continue to apply to such proceedings, and to every insolvent affected thereby and to his estates and effects and to all assignees appointed or acting in respect thereof in the same measure as if this Act had not been passed."

It is quite clear that this Bill is to the effect that it places parties in any case where proceedings have been taken before the passing of the Act of 1880 in the same position that they would have occupied if they had passed before the year 1877, because it is quite evident from the language of this Bill that although a person between the year 1877 and the year 1880 could only claim the protection of this 58th clause, yet now where a party has applied, three years after the passage of the Act of 1877, he comes in and is entitled to his discharge, although he has not been able to show that he is in a position to pay that fifty cents. In other words, by an *ex-post facto* law, we put the party in a position to enable him to claim a discharge in the year 1881 or 1882 which he could not claim in 1880, in 1879, in 1878 or in 1877 after the passing of this law. Is that wise legislation? I say it is personal legislation. It is retroactive legislation of a most odious character, and, therefore, I object to the Bill before the House.

Hon. Mr. MACFARLANE — I do not at all think that my hon. friend enters into the spirit of this legislation. I concur with him that there was a fixed determination to repeal the Insolvent Acts. In fact they were swept out of existence by force of public opinion. It was useless to talk of retaining an insolvent act. Owing to the peculiar circumstances in which this country was placed it was well known that numbers of our best and most energetic business men were driven into insolvency, and while honest men were crushed it was found that knaves and scoundrels were throwing their property out of their hands, defrauding their creditors and making money. So strong was the feeling of the country against a law which permitted such proceedings that there was a universal demand for its repeal. But while the Legislature was adopting that course, sympathy was felt for those who were honest, but unfortunate debtors. They felt that while they were endeavoring to prevent unscrupulous men from making bad use of the Act, that they were placing a heavy disability on the honest men who ought to have an insolvency law to protect them. It is that class we are now seeking to legislate for. It may be a species of personal legislation; I am glad to say it is, because it does not extend very far over this country under the present improved condition of affairs. Still, it will afford protection to those who deserve it and may take advantage of it if it becomes law; but the judge can step in, and will step in when there is any proof of fraud, and prohibit a dishonest debtor from getting his discharge. While a great deal of good can result from the passage of this Bill, I cannot see any evil that can arise out of it. The only point I see in my hon. friend's argument is that this Bill is asking Parliament to revive an Act that it abolished last session. But a great change has taken place in the country since that time, and I think the Bill is one that will commend itself to the common sense of the House. I am not personally interested in this legislation, and I am not aware of any individual who has sought it, any more than I have received letters from different parts of the country detailing the difficulties under which individuals were laboring through one obdurate creditor refusing to sign a debtor's discharge, although four-fifths of the creditors had agreed to it.

Hon. Mr. ALMON — I feel very great diffidence in speaking on this subject, being neither a lawyer nor a merchant, but I know of a case in Halifax that will bear out the argument of the hon. gentleman who has just resumed his seat. The case was that of a gentleman who was doing business in Halifax, and whose real estate was valued at $60,000. When the hard times came on he continued his business, feeling justified in doing so as he had so much capital; but he failed, and his real estate was sold at auction for $14,000. Now, are we to be told that this man is to walk the streets of Halifax the remainder of his life without the privilege of earning a sixpence for his family and die a beggar? I do not know what the opinion of the lawyers is, but there seems to be a desire amongst business men that there should be a law passed to prevent preferential assignments. If I were a lawyer I should consider it my duty to do so, and I am satisfied that I would receive the thanks of the mercantile community. I have been told by an hon. gentleman that preferential assignments are not allowed in Ontario; but they are allowed in Nova Scotia, and while legal gentlemen are splitting straws as to the effect of repealed laws, they are condemning poor men to beggary for alifetime, and opposing a law that is required by the entire business community.

Hon. Mr. BUREAU made a few remarks in French in support of the Bill. He contended that it was a measure that was necessary to relieve honest and unfortunate debtors of their disabilities and allow them to become once more useful members of society.

Hon. Mr. GIBBS — I desire to make one or two observations upon the Bill which is now before the House, and in reply to some remarks that have fallen from the hon. gentleman from Cumberland (Mr. Dickey). It is quite true, as that hon. gentleman has stated, that it was the deliberate will of Parliament in 1877 that an insolvent debtor should be obliged to pay fifty cents on the dollar before receiving his discharge, unless, under the circumstances enumerated in that Act, he was unable to do so in consequence of mal-appropriation, or the mal-administration of his estate. Now, that Act was passed under peculiar circumstances, and I may be permitted to advert to them for a moment or two, as they bear somewhat on the question. There was a feeling throughout the country that the Insolvent Act was a nullity, to all intents and purposes. It was said that it invited debtors to go into the court and get rid of their responsibilities rather than battle to pay them, and, if possible, overcome the difficulties against which they were then contending. It was originally supposed that this clause in the Act of 1877 would prevent parties from entering so readily into bankruptcy; that they would have to face this barrier: that unless their estates were able to realize fifty cents on the dollar, they could not get their discharge, and it would remove the objections which creditors throughout the country were constantly urging against the Insolvent Act. My opinion was at the time, that it might prevent parties who, though their estates were worth seventy-five or one hundred cents on the dollar, from entering the court, fearing that after they had done so (through their estates being badly administered), they would be unable to realise fifty cents on the dollar, and they would find themselves in the position in which many honest men find themselves to-day. I opposed this clause in 1877, but it became law. Debtors continued to go into the court after the passage of the Act, and in 1877, 1878, 1879 and 1880, entered it under a different state of things. Consequently, they were subjected to restrictions which those who had entered the court previously to 1877 were not. Now, the hon. member from Cumberland says "Why should a man going into a court now do so under better circumstances than his predecessors?" I reply, why should a man, since 1877, be required to pay more on the dollar than one who entered the Insolvency Court previous to that year, except that Parliament so willed it? Now, many parties who went into Insolvency during the years 1877, 1878, 1879 and 1880, find themselves unable to pay fifty cents on the dollar. I find them in every part of the country, unable to enter into any business — men who are just as honest as any of the gentlemen on the floor of this House, just as honest as the Parliament which legislated them into the position which they are in to-day, not by any act of their own, but on account of the inability of their debtors, it may be, to pay them, or on account of depression in the value of property which, when brought under the hammer, prevented these men — men of ability, integrity, industry and energy — from continuing in their business. Under these circumstances, we find many good business men, who would be useful to the society in which they move, of no value to the country to-day. There is an Act of Parliament which says "Useful though you have been, you shall continue under your disability." Why should a remorseless and relentless creditor have it in his power to say that, because a man has not been able to pay fifty cents on the dollar, he shall not get his discharge, while another party, whose estate might have paid seventy-five cents on the dollar, and he, perhaps, was guilty of fraud when he entered the Court previous to 1877, was enabled to get his discharge on payment of thirty-three cents? I say that there is an anomaly here. The state of things that existed in 1877 has passed away to a considerable extent, I hope never to return, and I think many of those who have gone into the Court since 1877 have suffered enough during these four years to satisfy any creditor — always provided that there has been no fraud committed by the debtor in the conduct of his business. I think, that being the case, this hon. House will re-open the door (by passing this Bill) to those who are seeking relief at the hands of Parliament, and to whom it has been accorded by a very large majority in the other House. I certainly hope that this Chamber will not hesitate to do what it did last night in respect to another Bill — concur with the other House by the passage of this Bill. I cannot see why any man whose estate may not, perhaps, have been able to pay fifty cents on the dollar should be obliged to go on the rest of his life bound hand and foot, prevented from using the energies with which Providence has endowed him for the purpose of providing bread for himself, and perhaps for a family for whom he is the bread winner. If there has been no fraud in conducting his business, I do not see why it should not be left to the discretion of the judge to deal with the debtor, as it was formerly, and allow those parties to become useful citizens of the country.

Hon. Mr. READ — I took exception to the 50 cents clause when it was enacted. I took exception to it because I knew it was a harsh clause. I knew, as a business man of forty years' standing in this country, under what difficulty business men had struggled and how values had deteriorated. I will enumerate a few industries that every hon. gentleman must see have deteriorated; and I contended, at the time of the passage of this Act, as I contend now, that in the time of depression it required a dollar and a half of reasonable assets to realize fifty cents on the dollar after expenses were paid, believing and knowing what I say. Take cabinet-making, for instance. The cabinet-maker's assets are scattered about his premises in pieces, His tools and plant have cost him a large amount of money; but furniture is brought in from the United States and slaughtered in this market, and the cabinet-maker goes into bankruptcy. When he bought his plant it was worth the money he put into it, but when sold at auction under the hammer it would take $1.50 worth of such assets to bring 50 cents on the dollar. There was no dishonesty connected with that man's business, but he was forced into insolvency by circumstances over which he had no control. I know, of my own knowledge, a certain line of business, of which there were 77 in Canada a few years ago; to-day there are only six carrying on the same trade, through the force of legislation. Those people were legislated out of business by Parliament. Then take carriage-making, a useful industry; the manufacturer has his plant and stock in finished and unfinished pieces, and I would like to know if his estate, which cost him $1.50, would realize 50 cents? The same may be said of agricultural implement manufacturers and foundrymen. Their plant and stock would require $1.50 worth to bring 50 cents on the dollar when sold under the assignee's hammer. Steamboat owners labor under the same difficulty. Their business may be a paying one until a railway comes into competition, and it is so cut up that the steamboat trade is destroyed, the owner goes into insolvency, and the boat is sold for less than one quarter her value. Wholesale merchants are in a better position, as their stocks consist of unbroken packages, but the stock of the retail merchant, which consists of broken packages, greatly depreciates in value when sold at forced sales. Then take vessels and schooners; many of them have barely paid running expenses from 1874 until the time the National Policy was inaugurated. The lumber trade is another of this class that finds it difficult to pay fifty cents on the dollar in insolvency. The lumberman's plant is very expensive; take his mills, and his lumber as we saw it lying here winter after winter, acres of it eating itself up with interest and insurance. How much of it would it have taken to pay fifty cents on the dollar up to last year? The lumberman invested his money in good faith, but times went against him and he succumbed through no fault of his own. When it is proved that a man has failed through no fault of his own, and he has not perpetrated any fraud, the law should be relaxed in his favor. Is it not to our advantage to retain in this country men of business habits and business training by relieving them of the disabilities under which they are prevented from becoming useful and active members of society? I think if I had to commence life over again, with the experience I have to-day I could do a great deal better than I have done, and, perhaps, they could do the same. The fifty cent law may do very well in England, where there is a sale for everything at something like its value, but it does not suit the circumstances of this country, and I will, therefore, vote to repeal it now.

Hon. Mr. TRUDEL — I consider this Bill a just one and I will vote for it. If I understood aright the arguments of my hon. friend on my right (Mr. Dickey), he said that the Act alluded to in the first clause of the present Bill is repealed; and he does not see what is the reason for reviving such a clause of it. The point seems to me to be very clear; the Act which is thought to be amended here, is still in force as far as insolvents are concerned, that is, a certain class of insolvents; but if we find that this law is not working properly, and is not meting out justice to the public, or to those concerned, I do not see any objection, or any reason to amend the law, because it is still in existence for the special cases reserved — that is for the cases of insolvents before the repeal of the general Act. I have had occasion to judge of the working of this Act, and I know of several instances where the effect of it has proved a great injustice. The intention of the Legislature was to prevent dishonesty, or gross negligence and incompetency in trade. It was to drive out of trade those who were known to be dishonest,or negligent, or to have such an imperfect knowledge of their business that they could not manage it properly, or those who were altogether incompetent. The 50 cents limit is arbitrary. There would be, from a judicial point of view, the same reasons to require the payment of 75 cents on the $1 as the payment of 50 cents, because there are a great many cases where a man who pays 75 cents on the dollar is more guilty of negligence, or dishonesty, or incapacity than another man who pays only 10 or 20 cents. It depends altogether on circumstances, and the very fact that a man fails in a speculative way is evidence that he did not calculate properly on his own strength. Among other cases, 1 recollect one that furnishes an illustration of the injustice which can be committed under the present law. A man had given accommodation notes to a friend to the amount of about $25,000. This man had a prosperous business; he did not owe a cent to anybody except those accommodation notes, and at the time when his friend failed he had an income of about $35,000 — more than sufficient to pay the whole of the liabilities which he had incurred in putting his name on this accommodation paper. It happened that a writ was taken out against him because this paper had matured. It happened also that he had sued for about $25,000 for claims resting upon titles and very good claims that, under ordinary circumstances, would have succeeded, but his creditors were at the same time the creditors of the man who owed him the $25,000, and against whom he had taken a suit. The creditors would not consent to go on with it, and preferred — although it seemed to be very clear — to abandon the suits and favor the other party who owed them hundreds of thousands of dollars, and they considered that this suit might bring him into insolvency, and, therefore, cause a larger loss to them. It so happened that this insolvent had more than sufficient to pay twenty shillings on the pound, yet his estate did not pay ten cents on the dollar on account of the refusal of the creditors to go on with that suit, and he could not get his discharge. This man has always been known for his good standing in the trade, and now he has been obliged to abandon business altogether, and he has no hope of getting a discharge unless such legislation as this should be enacted. The circumstances under which that fifty cent clause was enacted do not exist at the present time; therefore I shall vote for the Bill.

The Bill was read the second time.

Hon. Mr. DICKEY — I have listened to the arguments of hon. gentlemen in favor of this Bill, and every hon. gentleman who spoke, except the hon. member who spoke last, has declared distinctly that he was opposed to the legislation of 1877, and he has placed the ground of his support of this Bill distinctly upon that ground and upon that reason, except my hon. friend from Halifax, and some other hon. gentlemen, who know the individual cases, and they are proposing to legislate in favor of those individual cases. I think that is a most vicious principle. We have had a case of it this session before, and the House came to its senses, and put its hand upon that species of legislation. I think probably they will regret the course they are taking to-day with regard to this measure. I look in vain through the reports to find that my hon. friend, or any other member of this House, opposed the Act of 1877. I contend that Bill passed through the House in all its stages without any opposition whatever, and I think the House will come to the conclusion that my hon. friends are mistaken and are thinking of some other measure altogether, and upon re-consideration will agree that this resolution is a little hasty, and will be a dangerous precedent in the future.

THE PRINTING OF PARLIAMENT.

FOURTH REPORT ADOPTED.

Hon. Mr. SIMPSON moved the adoption of the Fourth Report of the Joint Committee on the Printing of Parliament. He said: This is the most important report that we will submit this session. It contains the balance sheets of last year, showing what we were able to accomplish in performing the work in the way of retrenchment. You will see by the balance sheet that we were able to reduce the expenditure as compared with the preceding year by the handsome sum of $11,500. We are now working under a contract that saves us a good deal of money in reference to the prices of printing and paper, and I believe also, to some extent, of binding. The service, so far as I know, has been about as efficiently performed as in any previous year, notwithstanding the reduction in cost — I think in some respects the service has been more efficiently and promptly performed. You will see, by looking at the report, we got into a little difficulty with the Auditor-General. Last year we asked for a vote of $70,000 to defray the expenses of the printing department under our control. We only spent $57,000 of that amount, and had a surplus of about $13,000, which we did not draw. We only drew the moneys as we required them. The Queen's printer, however, did not ask for enough. His appropriation fell short, and he owes your Committee for work performed for his Department about $5,520, which he was unable to pay. He said that we should make a bad debt of it. We could not see this, but we concluded that each service should be responsible for its own expenditure. I had one or two interviews with the Auditor-General, and he concluded that the better way was to ask a vote in the Supplementary Estimates in favor of the Printing Committee, to cover the amount, and we have now recommended that course. We recommend that the Queen's printer should ask for a supplementary vote, which we think is the best way to square the account. We are now a little behind with our printing work, and this arises from the facts that the departmental work has to pass through our hands, and that Parliament met two months earlier than usual, and it turns out that the departmental reports went into the hands of the printers a little later than usual. If the Government would manage to give the departmental reports to the printer about the middle of October, or even, at the latest, the 1st of November, the contractors could get through with that important portion of the work before what we call the routine work would come upon us. This delay explains the reason why some of the returns asked for by hon. members have not been printed as early as they should have been, the departmental reports and other Government work taking precedence. The printers have more work to do than they can very well get on with. But I have not heard any very serious complaints yet. I believe the printers are doing all they can to fulfil their contract and perform the work in a satisfactory manner. If the Government can arrange to hand the departmental reports to the printer earlier, I think they will find it to their advantage, and to the advantage of the country and of the printing service, in more ways than one.

The report was adopted.

BANK ACT CORRECTION BILL.

SECOND READING.

Hon. Sir ALEX. CAMPBELL moved the second reading of Bill (50) "An Act to correct a clerical error in Schedule B to the Act 43 Vic., chap. 22, amending 'the Bank Act,' and continuing the charters of certain banks." He said that in passing the Act renewing the charters of banks, the name of Le Banque de St. Jean was accidently omitted. This Bill was to correct the error.

The Bill was read the second time.

BILL INTRODUCED.

Bill (27) "An Act to amend the Act 43 Vic., chap. 61, entitled 'An Act to incorporate the Assiniboine Bridge Company, and to change the name of the said Company."— (Mr. Girard.)

The Senate adjourned at 5 p.m.

THE SENATE.

Wednesday, February 16th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

MONTREAL BOARD OF TRADE AND EXCHANGE BILL.

THIRD READING.

Hon. Mr. RYAN moved the third reading of Bill (J) "An Act to Incorporate the Montreal Board of Trade and Exchange."

The motion was agreed to and the Bill was read and passed.

PETROLEUM INSPECTION BILL.

SECOND READING.

Hon. Mr. AIKINS moved the second reading of Bill (L) "An Act to amend the Petroleum Inspection Act of 1880." He said: This measure has been introduced to enable the Department to use a pyrometer for the purpose of ascertaining the flash test of oil, different from that which is at present in use. The new instrument that we think of using differs from the old one in being more accurate. The instrument now in use is very uncertain, even in the hands of professionals, giving, perhaps, in half a dozen trials no two results that would be the same. The flash test for Canadian oil was fixed at 115 degrees, and for American oil at 120 degrees. By the provisions of this Bill the flash test by the new pyrometer is made at 95 degrees for Canadian oil (equal to 115 degrees) and 99 degrees for American oil (equal to 120 degrees). There is another provision imposing a penalty upon any person storing petroleum contrary to law. There are one or two other unimportant amendments.

Hon. Dr. BROUSE — I think the Government could not act too quickly in a matter of so much importance, yet I regret that in this Bill the high test for American oil is continued. The effect of it is almost to exclude American oils from being imported into this country. The question is one that affects a large portion of the population of the Dominion very materially — especially those residing along the international boundary. On the St. Lawrence River, where a dividing line scarcely exists between the United States and Canada, we find that coal oil can be purchased in the United States at from eight to ten cents per gallon and of fair quality, while in Canada it costs from 40 to 45 cents, hence it will be seen that great inducements are held out to those who reside on the banks of the St. Lawrence to smuggle coal oil into Canada. It has been smuggled in largely, not by the gallon or half-dozen barrels, but by hundreds and even thousands of barrels in consequence of the high test adopted by the Government, and which really prevents American oil from being imported into the Dominion. Not only that, but the test is of that peculiar character that it has been impossible to bring the oil into the Dominion without either sending to Ottawa to get an instrument to test it, or to send the oil here to pass the Customs. To retain a test equal to 120° will exclude nearly all the coal oil that might otherwise be brought into Canada, and will certainly encourage that large monopoly which has been so much protected in this country. The result of it so far has been to prevent our farmers from using good oil. The Canadian oil is not to be compared with the oil from the United States, and few will use it who can get the imported article. I regret that the Government have not lowered the flash test on American oil to encourage its importation into this country, and thus afford cheap oil to our laboring class.

Hon. Mr. AIKINS — I am surprised to hear the statement of the hon. gentleman that thousands of barrels of coal oil have been smuggled into Canada across the St. Lawrence. I am quite aware the proximity of the two countries is such that smuggling can be carried on. However, last year a compromise was made as to the flash test. Prior to last year the flash test for Canadian oil was 105 degrees, and for American oil 130 degrees. Last year the flash test of Canadian oil was raised to 115 degrees, and the flash test of American oil brought down to 120 degrees, and there is now a difference of only 5 degrees between the two. In consequence of the flash test having been raised, not one accident that I am aware of has occurred in the Dominion during the past year. Prior to that numerous accidents occurred. I do not think it would be wise to lower the flash test of Canadian oil. I am aware that some members of this House, and of the other Chamber have taken strong grounds on the difference between the flash tests of American and Canadian oil. My. hon. friend says that American oil gives better light than Canadian petroleum. That is true, but it is because it is lighter and burns faster.

Hon. Dr. BROUSE — The smoke and smell of our Canadian oil are the principal objections to it.

Hon. Mr. AIKINS — Then I would inform my hon. friend that you might increase the flash test, and not have the smell or smoke removed. There is more paraffine in the Canadian oil than in the American oil, and consequently there is more smoke. The object of the Government is to protect the public. There might be a good deal of force in what the hon. gentleman says, that, up to the present time, the Department has not had sufficient instruments to put them in the hands of customs and revenue officers at the different ports.

Hon. Mr. MACFARLANE — What is the cost of those instruments?

Hon. Mr. AIKINS — $25 to $30 each.

Hon. Mr. MACFARLANE — Are they American or English instruments?

Hon. Mr. AIKINS — English. Provision has been made that all officers who require to use them shall be supplied with them and the inconvenience experienced in the past for want of instruments will be removed.

Hon. Dr. BROUSE — The hon. Minister has somewhat thrown doubt on my assertion as to the amount of oil smuggled into the country.

Hon. Mr. AIKINS — Not at all. I merely expressed my surprise.

Hon. Dr. BROUSE — I speak of what I know. There is hardly a place along the frontier where you could not find hundreds of barrels that have been smuggled across in various ways — some on little rafts, or if there happens to be a heavy wind blowing across the river from the south, they are thrown into the water and carried over, and taken into the country. I am, perhaps, better acquainted with the quantity of oil smuggled into the country, across the river, than most persons, being well acquainted with the merchants along the St. Lawrence on both sides of the river, at or near Ogdensburgh, who deal extensively in coal oil. I know that great quantities of coal oil are sold to be smuggled into Canada, and although our customs officers are vigilant and most reliable, yet it is impossible for them to watch every bay and cove and place where this coal oil might be found. The inducements to smuggle are great; in fact, if every other cargo of coal oil that is smuggled were seized, the smugglers can make large profits still, when they can buy that oil at eight cents or ten cents a gallon and sell it here at forty cents. The only objection is with regard to the higher test that is placed upon the American oil.

Hon. Mr. AIKINS — It is only five degrees higher than the test of Canadian oil.

Hon. Dr. BROUSE — Why make it any higher? There is a duty on the coal oil itself, and that ought to be sufficient to protect our refiners. You may put what test you like on American oil, but it will be used in this country in preference to the Canadian petroleum, wherever it can be obtained, in consequence of its superior quality. Then, as to accidents, my experience has been large on the other side of the river, and I do not know of a single accident that has occurred from the bursting of a lamp or explosion of oil from the use of American coal oil. I think it is as safe, or even safer, than our own. If the Government would simply say that the flash test should be the same for American oil as for our own, it would be an act of justice to every householder in this part of Canada.

Hon. Mr. REESOR — I beg to call the attention of the House to another feature in connection with our legislation during the last few years in reference to oils. I notice in the tariff the same duty is imposed upon the petroleum oils that are imported, whether in the crude or refined state. This is an anomaly which should not be continued, and besides it is in direct violation of the principle which we all claim to recognize under the National Policy, that of giving encouragement to manufacturing in this country. I have never heard any reason given why the duty on crude oil worth only 2 or 3 cents per gallon should be the same as the duty upon refined oil which costs 8 or 10 cents per gallon. It will not, of course, be convenient for the hon. Minister of Inland Revenue, to give any information on this point.

Hon. Mr. AIKINS — When the tariff comes down, that will be the proper time to discuss it.

Hon. Mr. RESSOR — I quite agree with the hon. Senator from Prescott, that the same flash test should be applied to all oils, whether American or Canadian. It would be more satisfactory not only to the consumer, but, in the end, to the Government also, because there would be far less smuggling, and the country would derive a larger revenue from the importations. Very high duties encourage smuggling and smuggling encourages immorality. I think it is not desirable to have our legislation of such a character as to encourage smuggling.

Hon. Mr. AIKINS — You had better take the duty off everything, then.

Hon. Mr. REESOR — We cannot afford to do that, because we must have a revenue. But let the duties be fair and reasonable. Let us have the revenue, and at the same time enable the consumer to purchase at a reasonable price, and offer no temptation to smugglers by placing 100 per cent. duty on any article.

The Bill was read the second time.

INSOLVENT LAW AMENDMENT BILL

IN COMMITTEE.

The House went into Committee on Bill (39) "An Act to amend the Insolvent Act of 1875, and amending Acts."

Hon. Mr. MONTGOMERY, from the Committee, reported the Bill without amendment.

BANK ACT CORRECTION BILL.

THIRD READING.

The House went into Committee on Bill (50) "An Act to correct a clerical error in Schedule B to the Act 43rd Vic., chap. 22, amending the Bank Act, and continuing the charters of certain banks."

Hon. Mr. LEONARD, from the Committee, reported the Bill without amendment.

The Bill was then read the third time and passed.

The Senate adjourned at 4.10 p.m.

THE SENATE.

Thursday, February 17th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

LAVAL UNIVERSITY.

INQUIRY.

Hon. Mr. BUREAU, in the absence of Hon. Dr. PAQUET, with permission of the House, read the following communication :—

"DOWNING STREET, 20th Jan., 1881.

"GENTLEMEN, — I am directed by the Earl of Kimberly to acknowledge the receipt of your letter of the 30th December, submitting a copy of a statement which you have lodged at the Privy Council Office, relative to the powers possessed by the Laval University, Quebec, under its Royal Charter.

"I am to inform you that Lord Kimberly has already received, through the Governor-General of Canada, a Petition addressed to the Queen by the Roman Catholic Archbishop and Bishops of the Province of Quebec with regard to the powers of the University, and also a draft of a proposed new charter for that institution. His Lordship has further received a letter from the officers of the School of Medicine and Surgery at Montreal, stating that they have, by their Notary, summoned the Laval University to cease giving University instruction at Montreal, and to abolish the branch house, and the professorship which it has therein established; and I have warned the University that, in default of its not conforming itself to the summons within thirty days from the 4th of October last, they would appeal to the competent tribunals to obtain justice.

> "The Secretary of State has informed the Governor-General of Canada that, having regard to the provisions of the British North America Act, 1867, he is not satisfied that he could properly advise the Queen to issue the desired charter to the Laval University; and that, moreover, it does not appear to him necessary to decide the question at present, as he does not think it right to invite Her Majesty to interfere while the question as to the powers of Laval University are about to be decided in a court of law.
>
> "I am, Gentlemen,
>
> "Your obedient servant,
>
> "JOHN BRAINSTON.
>
> 'Messrs. BIRCHAM & Co."

He said that the address already voted in this matter did not appear to be complete. The documents required to make it complete were—

1st. The draft of a proposed new charter for the Laval University; which draft was sent to England with the Archbishop and Bishops' Petition.

2nd. The reply of the Colonial Secretary to that Petition and other documents connected with the Laval University question.

3rd. The Petition and the "Exposé de faits" of L'Ecole de Medicine and de Chirurgie de Montreal, registered in the office of the hon. the Secretary of State a few days ago.

He hoped that the hon. leader of the Government would have no objection to bringing down the documents referred to.

Hon. Sir **ALEX. CAMPBELL** replied that the Government would bring down any documents that they had in their hands. He supposed that the letter just read was one that had been received by the hon. gentleman from Lord Kimberly.

Hon. Mr. **BUREAU** said he understood that it was a communication to the lawyer who represented the School of Medicine in London.

BILL INTRODUCED.

Bill (49) "An Act to amend the general Inspection Act of 1874 and the Amending Acts."—(Mr. Aikins.)

INSOLVENT LAW AMENDMENT BILL.

THIRD READING.

Hon. Mr. **MACFARLANE** moved the third reading of Bill (39) "An Act to amend the Insolvent Act 1875, and amending Acts."

The motion was agreed to, and the Bill was read the third time.

The **SPEAKER**—Hon. gentlemen, this Bill has been read the third time and is now ready to pass; shall this Bill pass?

Hon. Mr. **LEWIN**—I beg to move, seconded by Mr. Dickey, that the said Bill be not now passed. This, hon. gentlemen, appears to me to be a very extraordinary piece of legislation. It is retrospective, and it is of a highly invidious and exceptional character. No substantial argument has been adduced by the supporters of this measure in favor of it, but a strong appeal has been made to the sympathies of the House on behalf of bankrupts. Well, hon. gentlemen, this is a legislative assembly, it is not a charitable corporation to consider the condition of those bankrupts, but we should rather see that protection is given to the unfortunate creditors who have suffered so severely during the last few years of depression. Some hon. gentlemen have stated that many of these bankrupts are men of honesty and integrity. I am not disposed to question the honesty or integrity of some of those insolvents; but, assuredly, in my experience—and, unfortunately, I have had a good deal of experience of insolvencies in the last three or four years—as a rule bankrupts are what may be called speculative people. Some may term them enterprising people, but really and truly, the majority of them are mercantile gamblers—men who indulge in all sorts of speculative transactions with other people's money, and not with their own. It is the unfortunate creditors who have trusted them that have suffered, and not the insolvents. I think that the legislation is utterly unsound in principle, and it is with this view I move that the Bill do not now pass.

Hon. Mr. **ALMON**—I am glad that this measure has not passed the House without being opposed; I am glad that it has been opposed—with all due deference to the hon. gentleman's character—by the manager of a bank. To my mind the banks themselves are more to blame for the mercantile failures that have taken place than anybody else. They are like the stormy petrels; they fly with more vigor on the wind when the storm is abroad. They encourage people to trade above their means, and then, when they find they are embarrassed, they pounce down on them and crush them. Here is the banking interest against the mercantile interest — and, as the hon. gentleman says, against all our feelings of humanity for the unfortunate. He has told us that that feeling is against him. It is against him, and besides that, the mercantile interest and other interests are against him, and I leave it to the House to say who should gain the day.

Hon. Mr. MACFARLANE — The hon. gentleman from St. John is not correct in stating that this is a matter of sympathy. I take it that it is rather a desire on the part of the House to do justice and relieve a class of men against whom this Parliament stepped in harshly and suddenly and prevented them from taking the benefit of the Insolvent Act. No injury can flow from it, because if an insolvent is guilty of fraud it is in the discretion of the judge to refuse to grant his discharge. It does not make it imperative that the insolvent should be discharged, even were he prepared to pay 33⅓ cents on the dollar; if he should be found guilty of fraud it would be the duty of the judge to prevent him from obtaining his discharge.

The SPEAKER ruled that the motion was out of order.

The Bill was then passed.

ASSINIBOINE BRIDGE COMPANY'S BILL.

SECOND READING.

Hon. Mr. GIRARD moved the second reading of Bill (27) "An Act to amend the Act 43 Vic., cap. 61, entitled 'An Act to incorporate the Assiniboine Bridge Company.'" He said the object of the Bill was to authorize the Company to build and maintain a toll bridge across the Red River at Winnipeg. The Company had been incorporated last session, and empowered to construct a bridge across the Assiniboine. That bridge was now nearly completed, and would be of great advantage to the trade of the country. A bridge across the Red River was even more urgently required, not only for the purposes of trade, but for the colonization of the country. Now that times were improving the Company felt they were able to undertake the work. They asked for no assistance from the Government; they had ample means to construct the bridge and open it for traffic within the time specified in the Bill.

Hon. Mr. DICKEY said he had no intention of opposing the Bill; he hoped it would pass, but he rose to call attention to the fact that an inconvenient practice had grown up of bills being read without motion. The Bill which had just passed was read the third time without any motion, and the effect of it was that the hon. gentleman from New Brunswick (Mr. Lewin), who desired to move an amendment, was prevented from doing so. The regular course was to make the motion for the reading of the bill, and then anyone who desired to propose an amendment would have an opportunity to submit it to the House. That appeared to him to be the plain, common-sense course of procedure.

The SPEAKER — The only stage which is ever taken on a bill without a motion is the third reading. At the same time, I am bound to say that my understanding of the wish of the House was that given expression to by the hon. member from Amherst. When it was departed from two or three days ago, I spoke to a member of the House and asked him what he understood, and his understanding of it differed from mine. I, therefore, let the matter pass, but I think the more convenient mode will be to have the motion for the third reading made as at the other stages of a bill. The inconvenience of not making a motion was marked to-day. If it is the pleasure of the House, the third reading will in future be taken like other stages of a bill.

Hon. Sir ALEX. CAMPBELL thought the rule laid down by the Speaker was the proper one, but in the cases referred to the practice that had prevailed in the past was followed.

The Bill was read the second time.

EUROPEAN, AMERICAN, AND CANADIAN CABLE COMPANY'S BILL.

AMENDMENTS CONCURRED IN.

Hon. Mr. SCOTT moved concurrence in the amendments made by the Select Committee on Railways, Telegraphs and Harbors to Bill (F) "An Act to incorporate the European, American and Canadian Cable Company (Limited)." He said that the Committee had gone through the Bill thoroughly and made the amendments which appeared in the minutes. The only important change was the one requiring the Company to subscribe 25 per cent. instead of ten in order to go into operation, and also necessitating 20 per cent. of that 25 to be paid up in lieu of five. The Company had obtained a charter in England under the general law there and were going into operation immediately.

Hon. Mr. AIKINS — Is there anything as to a tariff of rates?

Hon. Mr. SCOTT said that had been discussed in Committee, and some hon. gentlemen thought it desirable to fix a maximum rate, and the sum named was 50 cents. In 1875 when the Marine Electric Telegraphs Bill was before the Senate, a similar suggestion had been made, and it was but fair to the Anglo-American Cable Company to say they were then willing to accept that rate, 50 cents. His impression was that it was better not to fix a maximum rate, because the chances were it would remain at that. His opinion was the rates in future would decrease rather than increase. The present rate is 50 cents and we are not likely to have a higher rate than that in future, and besides, the Committee thought it hardly fair that this Company should be the first and only one to be restricted in that way.

Hon. Mr. AIKINS thought that a mistake had been made in not limiting the rate in the whole of them.

Hon. Mr. SCOTT thought differently. In the interest of cheap ocean telegraphy it would be better and wiser to leave the rate to be governed by competition and the law of supply and demand. This Company had no objection to the proposed maximum rate, and, in fact, contemplated a much lower one than fifty cents.

Hon. Mr. DICKEY said the general feeling in the Committee was that this matter ought to be dealt with in the House rather than in the Committee. The only difficulty in the way of adopting a maximum rate was this: it would be making an exception of this Company, and imposing a restriction upon it which was not applicable to other companies. He took it for granted the House was agreed, in the light of the experience of late years, that some such restriction would be a good thing. The only objection was to beginning with this Company; however, there would be even greater difficulty in making a beginning hereafter.

Hon. Mr. REESOR wished to know whether the power of union with other telegraph companies conferred by this Bill contemplated amalgamation with them, and, if so, whether there was any limit to that power. Hitherto the public had been uncommonly well served by the two telegraph companies in this country — better than the people in any other part of this continent. In the United States the Western Union Telegraph Company had absorbed nearly every other line in that country, and imposed such high rates that efforts were being made to form a competing company, either with or without the aid of the Government.

Hon. Mr. SCOTT said this Company had no intention of absorbing other lines. The object of the clause was simply to give them power to connect with land lines in Canada.

Hon. Mr. REESOR — It is a mere power to connect, then.

Hon. Mr. SCOTT — That is all.

Hon. Mr. DICKEY said the Marine Electric Telegraphs Act prevented that sort of amalgamation.

Hon. Mr. GIBBS said that, while the Committee approved of fixing a maximum rate, they felt it was scarcely fair to this Company to impose such a restriction upon them when the principle had not been generally adopted. However, from the statement of the hon. gentleman who had charge of the Bill, and from statements made to himself (Mr. Gibbs) privately, that the parties who were petitioning for the passage of this measure were quite willing to have a maximum rate fixed, he thought such a clause should be inserted in the Bill. As the hon. Senator from Amherst had remarked, it would be more difficult to make a beginning in the future than it was now, as it appeared to be more difficult now than it would have been some years ago, when a general bill was passed. It would, therefore, not be amiss to have a maximum rate fixed. As to the point that had been raised about amalgamation, attempts had been made to prevent it in the past, but, still, means had been found to accomplish it by pooling arrangements, which were not contrary to law. Whether that would be in the end an advantage to the public or not was a question. The president of the Western Union Telegraph Company stated recently that since the inception of that Company it had absorbed some sixty different lines of telegraph in the United States, and that this had been in the public interest, and he corroborated that statement by another, that the charge for telegraphing to-day was not one-third what it was when the Company was inaugurated. It might be said that the rate could be still lower than it is. In Canada, as had been observed, telegraphing is cheaper than in any other part of the world. There has been a very healthy competition between the companies in this country. However, he had merely risen to suggest that, as there was no objection on the part of the Company to establishing a maximum rate, the clause might now be inserted in the Bill.

Hon. Mr. SCOTT said the objection was just what he had urged before; personally, he was of the opinion it was more in the interest of the public to leave the rate to be settled by competition.

Hon. Mr. READ said an opportunity was presented some years ago, with the consent of the Anglo-American Company to fix a maximum rate, but the late Government rejected the proposition. If the had then consulted the public interest the rate could never have exceeded fifty cents. It was contended that competition would keep the rate down, but this Company might be absorbed as others had been, and it was better to fix a maximum rate.

The motion was agreed to.

Hon. Mr. SCOTT moved the third reading of the Bill.

Hon. Mr. GIBBS suggested that the clause of which he had spoken should be inserted in the Bill.

Hon. Mr. SCOTT said that, so far as the promoters of the Bill were concerned, they had no objection to it. He had merely stated his personal objection to fixing a maximum rate.

Hon. Mr. GIBBS said, in view of the hon. gentleman's statement, he would move that the Bill be not now read the third time, but that it be referred to a Committee of the Whole House for the purpose of adding a clause providing that the rate shall not exceed fifty cents.

The motion was agreed to.

In the Committee,

Hon. Mr. SCOTT said he supposed the clause would be simply: "The charge for cable messages shall not in any case exceed fifty cents per word."

Hon. Mr. DICKEY thought it had better be made clear that this rate should be from the point of sending to the point of receipt.

Hon. Mr. SCOTT said that was impossible, the Company at present having no land lines. The land rates at either end might absorb the whole of the fifty cents. It should only be from coast to coast.

Hon. Mr. DICKEY said the rate at present is fifty cents, and that charge is for transmitting a message from the point of sending to the point at which it is received, not the mere sending of the message over the cable.

Hon. Mr. GIBBS said the local rates were only about two cents a word.

Hon. Mr. DICKEY thought it his duty to point out to the House that the restriction would be of no value whatever if the land rates were not included.

Hon. Mr. SCOTT reminded the House that at present, one, at least, of our local lines is entirely controlled by those parties who control the cables. This Company having no land connection yet would be placed at a very serious disadvantage by adopting the amendment which had been suggested.

Hon. Mr. DICKEY said the rate which would have to be paid to the local lines would be small. The clause should read: "The charge for cable messages shall not in any case exceed fifty cents per word from points in Canada, etc."

Hon. Mr. SCOTT said the rates in Canada were not uniform. A message from Winnipeg, for instance, would be higher than the rate mentioned.

Hon. Mr. GIBBS moved the following amendment, which he thought would not be open to that objection:—

> "Provided always that the charge for cable messages shall not in any case exceed fifty cents per word from points in Canada (as far west as Ontario, inclusive) where such messages are received, to any point in the United Kingdom of Great Britain and Ireland, or *vice versa.*"

The amendment was adopted.

Hon. Mr. BENSON, from the Committee, reported the Bill as amended.

MAILS IN NEW BRUNSWICK.

INQUIRY.

Hon. Mr. WARK called the attention of the Postmaster-General to a statement in a New Brunswick paper to the effect that a difficulty had arisen about transmitting the mails from the United States to the Maritime Provinces; that the railway companies had arranged to run a night train now; that the United States sent the mails always as far as Vanceborough, at the boundary line between Maine and New Brunswick, and that the St. John and Maine line had declined to carry the mails any longer for the rates offered. The consequence was, that letters written in St. John with the expectation of going on with the night mails, arriving from Nova Scotia in the afternoon and evening, had to lie over until next morning, when they ought to be in Boston. It should be borne in mind that there were two mails, one for Fredericton and another for St. John and Nova Scotia, affected by this difficulty. It was well known that the hon. gentleman at the head of the Post Office Department was more economical than the heads of some of the other departments, but he hoped that the hon. gentleman would be disposed to make some concession to the Maritime Provinces.

Hon. Sir ALEX. CAMPBELL—Some years ago a Commission was appointed and the question as to the charges which railway companies should make against the public for carrying the mails was settled by that Commission. Certain rates were arranged for all the railways in the country. The proportionate rate laid by that Commission was offered to the Company to which my hon. friend refers, and for a while they carried the mail at that rate. But a difficulty has lately arisen as to the rate being too low, and we have not been able to come to terms with the Company on that point. I am in hopes, however, that we may be able in a short time to make arrangements to have the mails continued as they have been in the past.

AN ADJOURNMENT.

Hon. Mr. BELLEROSE moved that when the House adjourns this evening it do stand adjourned until Tuesday next at three p.m.

Hon. Mr. ALLAN called attention to the fact that the Committee on Banking and Commerce had been called for tomorrow, and some gentlemen from Montreal had been summoned to give evidence before it. He suggested that should the adjournment be granted, the Committee should be given leave to sit.

Hon. Mr. DICKEY objected to the adjournment as unnecessary, and as no notice had been given of this motion it could not be put.

After some debate, the objection was withdrawn and the motion, after having been amended so as to allow the Committee to sit to-morrow, was agreed to.

The Senate adjourned at 4.45 p. m.

THE SENATE.

Tuesday, February 22nd, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

BANQUE VILLE MARIE BILL.

THIRD READING.

Hon. Mr. ALLAN, from the Committee on Banking and Commerce reported the Banque Ville Marie Bill without amendment.

Hon. Mr. TRUDEL moved that the Bill be read the third time.

The motion was agreed to, and the Bill was read the third time and passed.

BILLS INTRODUCED.

Bill (M) "An Act to explain and further amend the Canada Temperance Act of 1878, and the Act of 1879 amending the same."—(Mr. Vidal.)

Bill (N) "An Act to amend and consolidate the Railway Act of 1879." —(Sir Alex. Campbell.)

Bill (O) "An Act to amend and consolidate the laws relating to Government Railways."—(Sir Alex. Campbell.)

Bill (36) "An Act further to amend the Act incorporating the Canada Guarantee Company, and to change the name of the said Company to the Guarantee Company of North America."—(Mr. Ferrier.)

Bill (8) "An Act to reduce the capital stock of the Exchange Bank of Canada, and otherwise to amend the Act respecting the said Company."—(Mr. Ryan.)

Bill (P) "An Act to amend the 40 Vic. Chap. 42, intituled 'An Act to amend and consolidate certain acts respecting insurance.'"—(Mr. Bellerose.)

EUROPEAN, AMERICAN AND CANADIAN CABLE COMPANY'S BILL.

THIRD READING POSTPONED.

The Order of the day having been called for the third reading of Bill (F) "An Act to incorporate the European, American and Canadian Cable Company (limited),"

Hon. Mr. SCOTT said: It will be within the recollection of hon. members that when we had this Bill before us, an amendment was moved by an hon. gentleman opposite, whom I do not now see in his place, introducing a clause restricting the tariff to 50 cents a word. I stated at the time that I did not think it was quite fair or reasonable that such a clause should be introduced in this Bill, inasmuch as we had imposed no such restriction upon any other company. We have a general law upon the Statute Book under which the Company comes, in which the opinion of the House was deliberately expressed that no such restrictive clause should be incorporated. We have granted several charters to cable companies, none of which contains this clause. I am of opinion that a restraining clause should be introduced so far as the ocean line is concerned. That might be conceded with perfect propriety, but at the moment when this Bill was last before us, the feeling of the House seemed to be that the restrictive clause ought to apply to any message sent from the interior of this country to Great Britain and Ireland. I have no doubt that the hon. gentleman predicated that clause on the assumption that the present rates in this country will prevail, but we have no guarantee that they will remain at their present figure. I am not aware that any restriction is contained in the charters of the Dominion or Montreal telegraph companies, or that the Government has any power to interfere with their tariff rates by Minute of Council. But apart altogether from this consideration, there is this notable fact to be borne in mind in dealing with a new cable company. The present local lines are, of course, connected with the existing cables, and this Company, in the event of laying their cable, would find themselves handicapped on reaching our shores. The close connection between the Dominion Telegraph Company and the Anglo-American Cable Company would prevent fair competition, and although the law would not allow them to discriminate against this Company, still it is notorious that when two companies work together they throw business into each other's hands. This cannot be prevented, and therefore this Company would be at a disadvantage from the start. They could only connect with the interior on this continent by existing lines. As a matter of fact, we have now no Canadian line at all. Our lines to the ocean are practically controlled by lines having their centres in the City of New York. The Montreal Company has no connection at all with the east. Its lines extend no further than Sackville, N.B. The Western Union have the lines from that east to the ocean, so that any connection through that Company would have to be with a foreign line altogether. It is well known the Dominion line is practically controlled by Jay Gould. There is no doubt about that, and the probability is that in the very near future our Canadian lines will be entirely controlled by the American system of telegraphy, and it may be an important matter for the Government of this country to consider whether they would have in the future to interfere if an attempt should be made to run up the rates to correspond with those of the United States. At present there can be no complaint against our lines, because they carry messages at considerably lower rates than are charged in the United States; but if it is a fact — and I believe it is undeniable — that these companies are to be controlled and owned by American lines, it is, of course, important to consider how far one ought to handicap this Company at the start by limiting its rates for internal messages. That clause, I say, was predicated on the assumption that no higher land rates could be charged, or would prevail than those that exist to-day. If, as a matter of fact, those companies can run their rates to any figure, practically, as they choose, one could see how they might destroy any new cable that might be laid. They might discriminate, as I have explained, against the Company at this end. In Great Britain, the lines being owned by the Government, there would be no discrimination allowed there. That protection does not exist in Canada, and therefore this Company would be at a serious disadvantage. I propose to move to strike out the clause as introduced the other day, believing that the House acted in that direction under the assumption that this company would be practically on a par with other cable companies, which, of course, it is not, until it creates connections on this continent. It is undeniable that without such connection they would be at a serious disadvantage with existing companies.

Hon. Mr. DEBOUCHERVILLE said he had never heard of such a proceeding — to strike out an amendment which had been made to the Bill, when the member who had proposed that amendment was not present. For his part he would vote against it.

Hon. Mr. SCOTT said he was not aware, when he got up to propose his amendment, that the hon. gentleman (Mr. Gibbs) was not present.

With the consent of the House the Order of the day was discharged, and the Bill was ordered for third reading to-morrow.

INSPECTION LAW AMENDMENT BILL.

SECOND READING.

Hon. Mr. AIKINS moved the second reading of Bill (49) "An Act to amend the General Inspection Act of 1874, and the Act amending it." He said: I think it is due to myself, as well as to the House, to state that when the measure for the amendment of the General Inspection Act was before this Chamber last year, I stated that the scale of fees that was then adopted had been suggested by the Chamber of Commerce at Halifax. I so understood at the time from the hon. gentleman who was then at the head of the Inland Revenue Department. But it appears that after the amendment had been made in committee in the other Chamber to the effect recommended by the Chamber of Commerce, that amendment was not introduced into the Bill. The Bill came up here without the amendment, and I, not knowing that it had been omitted, acted on the information I had. The Bill before the House is for the purpose of correcting that omission, adopting the recommendation of the Chamber of Commerce reducing the fees one-half.

Hon. Mr. MACFARLANE — Does that concur with the recommendation of the Halifax Chamber of Commerce?

Hon. Mr. AIKINS — Yes, and it was what I intended to have in the Bill last session, but by some mischance or neglect of the officers of the other House the amendment as made in the Committee of the Whole was not put in the body of the Bill. When the House goes into Committee on this Bill to-morrow there is another amendment that has been suggested by the gentlemen from the Maritime Provinces, with respect to pickled fish, that it may be desirable to adopt. They desire to have the privilege of taking fish from one inspection district to another to have them inspected. If I had the amendment in my possession now I would have it placed on the notice paper so that it would appear on the minutes to-morrow for the information of the House.

Hon. Mr. DICKEY — The statement made by my hon. friend the Minister of Inland Revenue shows the necessity of dealing very carefully with these bills. Sometimes clauses creep in that ought not to be there, and others are omitted which equally should be there. I hope my hon. friend will excuse me for calling his attention in connection with this Bill to somewhat of an incongruity in a Bill that was passed the previous year; that is, the Trade Marks and Industrial Designs Bill. If my hon. friend directs his attention to it he will find that under the trade mark portion of the Act any person who uses the trade mark of another is not liable to a penalty unless he knowingly uses it. That limitation is perfectly proper, because it is not right that innocent persons should be brought under penalties for unwittingly infringing a trade mark. But with regard to the industrial designs part of that Act, if my hon. friend will turn to clause 26, he will find that any person who uses, however innocently, an industrial design of another is liable to a penalty of $25 to $120. I thought it but right to call the attention of the hon. Minister to this matter with a view to some remedy being applied, because I think it was a slip in the passing of the Act. At present, the portions of the Act to which I have alluded are entirely incongruous with the other portions of the Act, and bear hard upon innocent people.

Hon. Mr. AIKINS — I quite agree with my hon. friend that measures passing through this House should be closely criticized. I acted last session in good faith, and the Minister who was then at the head of the Department acted in good faith, but in consequence of one of the clerks not having made the correction that should have been made, the Bill passed through both Houses in that shape. With regard to the question to which my hon. friend has called attention, it is a matter that comes more particularly under the purview of the Minister of Agriculture.

Hon. Mr. McCLELAN — This is a Bill to amend the general Inspection Act, and amending Acts, in the matter of fees for inspection of smoked herrings. The Act of 1874 did not explicitly afford the necessary legal powers for the inspection of these fish, but the amendment of 1880 supplied them; and this proposed amendment reduces the fees — with the apparent object as avowed also by the Minister of Inland Revenue — of enforcing the provision. At the time of the passage of the Act of 1880 it was understood that the inspection would not be enforced against the wish of the municipality, and I would like to have this understanding continued. A district in New Brunswick supplies the bulk of these fish, to the extent of about 700,000 packages a year — the chief market being the United States. The boxes are small, containing only a few pounds of fish, and are sold for from 7c. to 12c. a half box. A tax of half a cent on each package will be a burthen—some impost for the poor men who are engaged in this line of business, and unless the public derive benefit therefrom I fail to see any object to be gained by enforcing the law. Halifax, Montreal and other cities have already local inspectors, who may, for convenience of home markets, use their powers; but the home consumption is very inconsiderable, and if it would not help the sale of these fish in the foreign markets, why interfere with the business at all? To tax the poor fisherman in his precarious business, toiling for a livelihood, just to provide a fat salary for some official of the Government, is not desirable — and we have not been shown as yet any other good reason for making the Act compulsory in this case.

Hon. Mr. MILLER — I did not, perhaps, understand the remark which fell from the hon. Minister of Inland Revenue, with regard to the amendments which he suggested to the Fish Inspection Act. If I apprehend him correctly, he said that he had an amendment which was recommended by a member of the other House. Why was it not moved when the Bill was in that House? I think it is a very strange thing that that amendment was not attempted to be made to the Bill in the other House, and I must object to its being now introduced, I will not say in this surreptitious, but in this irregular way, without sufficient notice in a committee of this House. That amendment is going to have a very important effect upon traders in fish in Nova Scotia, and the effect will be to compel those men to send their fish to Halifax to have them inspected there instead of having them inspected at home, where the work would go to local inspectors, and it would be done at a cheaper rate than at Halifax. I do not know who the member is that made that suggestion to the hon. Minister.

Hon. Mr. AIKINS — I did not confine my remark to any one of them, but I said, "hon. members from the Maritime Provinces" — those who were interested in fish.

Hon. Mr. MILLER — Why did not they propose it when the Bill was before the other House?

Hon. Mr. AIKINS — That I cannot answer.

Hon. Mr. MILLER — The probability is that the object was that the Bill, if amended here, would go down to the other House and would pass without observation there. What I would suggest is that the amendment should be printed and the Bill postponed for further consideration. It is another attempt to do everything to favor Halifax at the expense of the outlying districts of Nova Scotia which now have the benefit of the labor of putting pickled fish in shipping order.

Hon. Mr. AIKINS — This Bill would have been introduced here but for the fact that it more properly belonged to the House of Commons as affecting the revenue. With regard to this amendment, I had no desire to take the House by surprise, nor have I any desire to force the inspection of fish from any locality to the City of Halifax — in fact, it is left optional with the holder of the fish where he shall have them inspected. In order that the inspection shall be of any advantage, it must be uniform, and of as high a standared as possible. We will take the second reading of the Bill now, and before it goes through the Committee we shall have the amendment on the notice paper.

Hon. Mr. KAULBACH — I really cannot see why the inspection should be confined to the same locality where the fish are cured.

Hon. Mr. REESOR — I beg to ask my hon. friend whether this Bill applies to fresh-water herring caught in the lakes, or only to salt-water herring? If the object of this Bill is to assist the trade rather than to interfere with the producer, it may be an advantage to trade, and at the same time secure for the fishermen a better price for their fish.

Hon. Mr. AIKINS — The Bill is intended to apply to smoked herrings, I presume, caught in salt-water, but it is not limited to salt-water herring.

The Bill was read the second time.

PETROLEUM INSPECTION BILL.

IN COMMITTEE.

The House went into Committee of the Whole on Bill (L) "An Act to amend the Petroleum Inspection Act, 1880."

Hon. Mr. AIKINS, in moving the adoption of the first clause, said that two-thirds of the difficulties between the refiner and the purchaser had occurred in consequence of the defective instruments used in the flash test. The instrument that they proposed using, if this Bill passed, was one from which uniform results would be obtained. The tests that had been made with it did not show a deviation of half a degree. As an illustration of the difficulties that had occurred in consequence of the inferior instrument used by the Department, some three or four thousand barrels of coal oil had been tested at one place, and had passed inspection. When the oil came to be tested again by another officer, at the point of delivery, there was found to be a difference of four degrees between the two tests. Here was a contest between officers of the same

Department. It was not a desirable state of things, and this Bill was intended to remedy it. It also made provision that the pyrometer to be used was to indicate 95 degrees Farenheit. There should be this to be equivalent to 115 degrees of Canadian oil.

Hon. Mr. SCOTT — Will it be, or is it assumed ?

Hon. Mr. AIKINS — It will be. We found that by testing it in American oil — it is printed 98 degrees; it should be 99 degrees — we make the standard for American oil 118 degrees, whereas the present law is 120 degrees, and that would have to be changed to 99 degrees to make the comparison correct. Then as hon. gentlemen will see the word "naphtha" has been introduced in some places; and there is a penalty for storing petroleum and naphtha.

Hon. Mr. HAYTHORNE — Is it to be a difference in the strength of the petroleum, or in the scale of the pyrometer ?

Hon. Mr. AIKINS — The difference is that the new instrument is a more severe test for the oil than the old one.

Hon. Mr. BROUSE asked if the Bill adhered to the principle that there should be five degrees between the test for Canadian and American oils ?

Hon. Mr. AIKINS said the Bill did not interfere with that. As to whether there should be that difference between the tests, it was purely a matter of opinion. Under the tests by the new instrument, if there was more vapor in one class of oil than in another it would be at once detected.

Hon. Mr. BROUSE contended that American and Canadian oils should both be placed on the same basis, so far as the flash test was concerned. Canadian oil was already protected by a duty of 7½ cents per gallon — he would much rather see the duty raised to 25 per cent. *ad valorem* on American oils coming into this country, and the test equalized, than to have a lower duty and five degrees difference in the test. The farmers, who did not have the advantage of gas, would be benefited by such a change.

Hon. Mr. DEBOUCHERVILLE thought the reason why the test was higher for American oil was because it contained more explosive gas than Canadian oil.

Hon. Mr. BROUSE understood that 100 pounds of American petroleum would make as much burning oil as the same quantity of Canadian petroleum would make. He had received a letter from a chemist within the last forty-eight hours stating that such was the case; and that American oil was not more explosive at 115 degrees than Canadian oil. If that was the case they should be placed on the same basis as to test, and the public would have the benefit of the competition.

Hon. Mr. BULL said he had a letter from a gentleman who had been for some years a refiner, and who, speaking from his personal knowledge, made a difference of nearly thirteen gallons per barrel between the American and Canadian oil on account of the gravity of our petroleum. That was a question which came up altogether irrespective of the flash test. If this difference caused the American oil to come into this country in the way stated by the hon. Senator from Prescott the other day — hundreds and perhaps thousands of barrels floated across the St. Lawrence, and smuggled into the country — the matter ought to be looked into closely. Would it not be better to have a committee to investigate all these matters ?

Hon. Mr. DEVER supposed that the Bill could not now be altered, but he had always felt, and he expressed also the feelings of those with whom he mingled in St. John, that the restrictions on American oil should not be continued. It would be used in this country no matter what restriction was placed upon it. There was something in the Canadian oil peculiar to itself. He had been informed by a gentleman who had a special knowledge of the subject and, in fact, might almost be regarded as an expert, that no means had yet been found for refining Canadian oil to make it desirable for lighting purposes. In consequence of that, American oil must be had. Those who consumed American oil had no objections to paying a fair duty upon it, but they did object to having its importation restricted by an excessive flash test. Some change should be made which would enable parties who must have American oil to get it at a reasonable price.

Hon. Mr. REESOR was inclined to doubt the statement that Canadian oil cannot be refined so as to make the use of it pleasant and agreeable. Of late years very great improvements had been made in Canadian oil, and much of it is used with great satisfaction in Toronto. There is nothing like the offensive smell that it generally had some few years ago. By removing some of the advantages that the Canadian refiner is now surrounded by, he might succeed in competing with his American rival by producing a better article, and, therefore, it would be a move in the right direction to make the flash test of the two the same. There are large sections of the country where only Canadian oil is used, and no other oil is looked for. He had referred, at the second reading of this Bill, to an anomaly with regard to the duty on crude petroleum. He was happy to discover that since then the Minister of Finance, in his Budget, reduced the tariff on lubricating oils 25 per cent. That was satisfactory, and he thought the country would be pleased with the action of the Government in that direction. He wished the Minister of Inland Revenue would consent to have the flash test for American oil the same as the flash test for Canadian oil, and it would also be received and acknowledged as a move in the right direction.

Hon. Mr. DEVER said he had received the information as to the impossibility of making Canadian oil equal to American petroleum from a gentleman engaged extensively in the oil business, who had arrived at that conclusion from his own experience and from consultation with others who understood the subject. Whether his conclusion was correct or not, he (Mr. Dever) could say, from his own personal knowledge, that there is some peculiarity about Canadian oil that prevents it from being deodorized to the same extent as American oil, and therefore he suggested that this matter should be thoroughly investigated.

Hon. Mr. AIKINS said the only reason for discriminating in favor of Canadian oil in the flash test was this: it was supposed there was more naphtha, benzine and gasoline in American than in Canadian oil. Some are pleased to say that it is so, but by distillation you can get rid of those dangerous elements which have caused dire disasters in the past. The flash test was first introduced in 1868, and fixed at 115° ; it was afterwards reduced to 105° and then raised last year to 115°. Up to the legislation of last year the flash test of American oil was 130°. Last year it was brought down to 120°, and now there is only a difference of 5°. When the Petroleum Inspection Bill was under discussion last year, it was understood that the best American oils could come in under that test, and experience had shown that they could, but inferior oils were excluded. With regard to the statement of the hon. member opposite (Mr. Dever), he thought they must have used very inferior Canadian oil.

Hon. Mr. DEVER — We have tried it in every conceivable way, and it cannot be used in respectable houses.

Hon. Mr. AIKINS said that Canadian oil is used in very respectable establishments in this part of Canada, and it does not emit any unpleasant odor.

Hon. Mr. DEVER — Take care it is not smuggled.

Hon. Mr. AIKINS said it might be, that in place of using Canadian oil, the hon. gentleman had used American oil, because it not unfrequently happened that Canadian barrels were taken to the American side, filled there and brought in as Canadian oil.

Hon. Mr. DEVER — It is not so with us at all.

Hon. Mr. AIKINS — Down on the St. Lawrence we have made frequent seizures of just that sort of oil in Canadian barrels.

Hon. Mr. KAULBACH said there was a good deal of smuggling carried on in New Brunswick, and, no doubt, in that way some inferior oil had been brought in and sold as Canadian petroleum. He knew a great many respectable houses in Nova Scotia where Canadian oil is used, and there is nothing offensive about it. Its gravity, density and lasting properties are greater than those of American oil. He had been using it himself, and found nothing objectionable about it.

Hon. Mr. ALMON was sorry to hear that no respectable house used Canadian oil, because it affected himself. He was in the habit of using it in his house, and found it quite equal to American oil, both in illuminating power and in absence of smell and smoke. He would continue to use it, and trusted he would be as respectable as many people who used American oil.

Hon. Dr. BROUSE said there were two grades of oil manufactured in Canada, one made specially for the English market, where it had to compete with American oil, and the other an inferior grade, for use in this country. Our refiners having a monopoly, first by a duty of 7½ cents a gallon and then by a lower flash test, compel us to use an inferior grade of oil in this country. They not only have a monopoly in this way, but they have used other institutions, so that the oil can scarcely be got to this part ot the country unless it comes through American territory over four or five roads, by way of Ogdensburg, to the city of Ottawa. He understood the Minister of Inland Revenue to say that it made little difference to him whether the flash test was the same for the oils of both countries or not, and he therefore moved that the test of American and Canadian oils be the same.

Hon. Mr. AIKINS said what he wanted was the opinion of the House, and having obtained that he would, with the consent of the Committee, let this clause stand until to-morrow and proceed with the other part of the Bill.

The clause was allowed to stand.

Hon. Mr. BENSON, from the Committee, reported progress, and asked leave to sit again.

BRITISH AND COLONIAL INSURANCE COMPANY.

SECOND READING.

Hon. Mr. ALLAN moved the second reading of Bill (K) "An Act to incorporate the British and Colonial Insurance Company."

The motion was agreed to.

The Senate adjourned at 4.40 p.m.

THE SENATE.

Wednesday, February 23rd, 1881.

The Speaker took the chair at three o'clock.

Prayers and routine proceedings.

STANDING ORDERS AND PRIVATE BILLS.

SEVENTH REPORT OF THE COMMITTEE.

Hon. Mr. VIDAL presented the seventh report of the Committee on Standing Orders and Private Bills, and moved the suspension of the 51st rule, in accordance with the recommendation therein contained.

The motion was agreed to.

THE ST. LAWRENCE CANALS.

INQUIRIES.

Hon. Mr. HOPE inquired:—

"1st. When is the enlargement of the Beauharnois Canal, in conformity with the recommendation contained in the report of the Canal Commissioners in 1871, and adopted by the Government, to be commenced, and when is it expected to be completed?

"2nd. When is the enlargement of the Cornwall Canal to be completed?

"3rd. When are the works of enlargement to be commenced on the Edwardsburg Canals, and when does the Government expect to have them completed, or whether, in the opinion of the Government, the work of deepening the river in front of the above named canals when completed, will not render the enlargement of the Edwardsburg Canals unnecessary?

He said: I should like to make a few remarks before receiving a reply to these questions. The Government, in November, 1870, appointed a Commission for the purpose of inquiring into, and reporting upon, the canal system of the Dominion. That Commission was composed of some of the ablest men of the Dominion. I do not think it would have been possible to have got more able, practical or intelligent men to form that Commission than the Government selected; and, after a most exhaustive enquiry, they made a report recommending what should be done with regard to the canals of the country. Among other things they came to the conclusion that the locks of those canals should be 270 feet long, 45 feet wide, and have a depth of water on the mitre-sills of 12 feet. That report was presented to the Government February 24th, 1871, and in July of the same year the Government appear to have assented to that report, and made it their own, and it was understood the improvements recommended were to go on, and the contracts given out subsequent to that date, were made on the understanding that 12 feet of water was to be provided for in the canals on the St. Lawrence, and the Welland. However, in 1875 a change took place. Some gentlemen seeing the changes that were taking place in the harbors of the United States, and on the St. Clair Flats, and the harbors of Buffalo and Chicago — seeing that they were increasing the depth of water there — considered that a greater depth than twelve feet of water was necessary in our canals. In April, 1875, the Government came to the conclusion to make the depth of water in our canals 14 instead of 12 feet. That, I think, was a wise decision. The present Administration approved of the increased depth recommended. I see that the Chief Engineer of Canals in his report to Sir Charles Tupper, on the 6th February, 1880, says that the locks on the enlarged canals are to be 170 feet long, 45 feet in width, and when completed are to have a depth of water on the sills of 14 feet, and I observe that in the report of the Minister of Railways and Canals, dated 10th January, 1881, he acquiesces in that. These locks are to be as described by the Chief Engineer of the Canals, with 15 feet of water on the sills. The canals alluded to in this report are the Welland and Lachine; but it seems that the Government have recognized the propriety of making a uniform depth of 14 feet of water in all the canals. It may be said that these are very expensive works and what remuneration is the country to receive from them. I say without the improvements which are contemplated we could not have the class of vessels coming to the St. Lawrence that we have at present. But for the Welland Canal we could not have those lines of steamships that the country possesses, because it is only from the commerce of the Western States that we are enabled to furnish grain to load those large steamships. We have not enough grain from our own provinces to furnish them with regular cargoes, and it is only by means of those canals that we are able to bring down freight for them. The advantage to be derived is this: that every article imported into Canada is carried at a low rate of freight, and everything exported from the country is carried at a reduced price, and the advantage thus derived more than counterbalances any taxation the people may have to bear for the improvement of these canals. I allude specially to the Provinces of Ontario and Quebec, because they are more especially interested in these works. Then with regard to the export of live stock, but for these large steamers we could not have that trade. When the present proprietor of one of the most magnificent lines of steamships in the world commenced business, his largest vessel could be carried on the deck of one of his present steamships without much inconvenience. I think it is of the last importance to the country, and especially Ontario and Quebec, that the canals should be completed. The Lachine Canal is almost finished, and the Welland Canal will in a short time be ready for navigation on the improved and large scale of locks. The most of these canals were completed in their present shape not later than the year 1845. Some of them — the Cornwall Canal for instance — were designed in 1834, and I think in that year Sir John Beverly Robinson, late Chief Justice of Ontario, turned the first sod, and the locks were to be 145 feet long by 55 feet wide. They were designed by an officer of the Royal Engineers. Even at that early day they recognized the importance of our water communication. If we are to derive full benefit from the magnificent river that belongs to us — the St. Lawrence — we require to improve its navigation. With regard to the navigation of the St. Lawrence above Montreal, a good deal of money has been expended, and more is required to give us a uniform depth of 14 feet of water. We are all interested — especially the older Provinces — in getting that communication improved to that depth. I say with regard to the St. Lawrence, below Montreal, I know that differences of opinion exist, but I hold that the Province of Ontario, for instance, is just as much interested in having the St. Lawrence deepened between Montreal and Quebec, as the people of Montreal themselves. Every additional foot of water got there between Montreal and Quebec cheapens the freight of everything sent out, of and brought into, the country. The St. Lawrence is the common heritage of the people of Ontario and Quebec. True, it has been said that railways are taking a great deal of the traffic. Railways have been competitors do doubt, but with the improvement in the carrying capacity of our vessels — and I see this alluded to in the report laid on the table — I say with larger vessels on the upper lakes the railways have abandoned, you may say, competition with such vessels between Chicago and Buffalo, and the competition now takes place with the long ditch in the northern part of New York State between Buffalo and the City of New York. I think when our canals are improved, as they ought to be, in uniformity with the Welland and Lachine Canals, that we can defy competition, either by way of New York, or any where else. I say that, from time to time, the attention of both Administrations was directed to the state of the St. Lawrence canals — the Beauharnois, the Cornwall and Williamsburgh Canals—but I do not think that anything was done in the way of going on with the work. True, two locks were commenced on the Cornwall Canal, but it will be ten years to-morrow since the report of the Canal Commissioners was submitted to the Government, and the first stone has not been laid, or the first sod turned for the enlargement of the Beauharnois Canal. The Beauharnois Canal was originally constructed to improve the navigation, when they had four small canals, to avoid the Cascades, the Cedars and the Coteau, to pass boats carrying 30 barrels of flour apiece. Look at the immense improvement that has taken place since then. Vessels go through now with 3,000 barrels of flour. There is no reason why they should not go through with three, four or five times that quantity, if the canals were improved to the extent recommended. What I wish to ascertain is, what prospect is there of getting those St. Lawrence canals improved. With regard to the cost of these works, I think on a former occasion the Postmaster-General remarked that it would take $5,000,000 to put them on a footing of equality with the Lachine and Welland Canals — $5,000,000 is a large amount. It means $200,000 a year, but $200,000 a year is a very small matter when you come to consider it in relation to the value of the produce which passes down the St. Lawrence. Look at the saving there would be on the cost of freight. Every year 20,000,000 bushels of grain go down to Montreal chiefly by water. One cent a bushel upon that would pay the interest, and certainly there would be more than one cent a bushel saved on the transportation of that grain. Without these canals being improved we lose all the usefulness of the Welland and Lachine Canals. I am aware that some people favor the barge interest. I have no objection to that interest. It will thrive, no matter how much we may improve the canals. It will be necessary for sailing vessels coming down as far as the lower port of Lake Ontario. But canals are needed for steamers to go down from Duluth or Fort William to Montreal direct, without breaking bulk, and unless we have those improvements we cannot have that trade.

Hon. Sir ALEX. CAMPBELL — The hon. gentleman has, no doubt, drawn attention to a very important subject, but I do not think it convenient to follow him into a discussion of it upon a mere enquiry. If he desires to discuss the subject it had better be brought up in such a shape that fair scope can be given to such remarks as may be necessary to elucidate the course pursued by the present Government and their predecessors with reference to the canals generally. I can only say now that canals are less important since the era of railways and cheap freight by rail, than in former years. I shall say nothing further than that on the general subject, but simply answer the questions on the paper, not at all wishing to refrain from a discussion, if my hon. friend will bring it up in a way that will afford us a reasonable opportunity for debate. The first question is :—

> "When is the enlargement of the Beauharnois Canal, in conformity with the recommendation contained in the report of the Canal Commissioners in 1871 and adopted by the Government, to be commenced, and when is it expected to be completed ?"

I cannot say when it will be commenced. Surveys of projected works have been made on both sides of the river, but no other decided action has been taken. These surveys were made some years ago, anterior to the time of the late Government of which my hon. friend was a supporter, I believe, and nothing was done then, or has been done since. The next question is :—

> "When is the enlargement of the Cornwall Canal to be completed ?"

The scheme of enlargement of this canal has been in a great measure matured. At the lower end two locks — 270 feet long, 45 feet wide, and 14 feet on the sills — have been built to take the place of three locks on the old line. No further steps have been taken in connection with the enlargement of this canal. The third question is :—

> "When are the works of enlargement to be commenced on the Edwardsburg Canals, and when does the Government expect to have them completed, or whether, in the opinion of the Government, the work of deepening the river in front of the above named canals when completed, will not render the enlargement of the Edwardsburg Canals unnecessary."

In reply to that question I have to inform my hon. friend that the enlargement of these canals is not commenced. It is uncertain whether the deepening of the channel in the river through the Galops Rapids will render the enlargement of these canals unnecessary. In case of a large traffic, the probabilities are that the canals should be enlarged. Then, as to that part of the question which relates to the probability of the Edwardsburg Canal being rendered unnecessary, I refer my hon. friend to the report of Mr. Page, Chief Engineer of Public Works, of 1875, page 72, in which he says :—

> "It may be stated that if the improvements previously mentioned were carried out and the chain-log system adopted, there is reason to believe that the enlargement of the prism of the Williamsburgh Canals might be dispensed with and their improvement confined to lengthening the locks without attempting to increase the depth of water."

I am informed by the Department that this is the only expression of professional opinion they have on the subject.

BURLINGTON BAY CANAL SWING BRIDGE.

MOTION.

Hon. Mr. HOPE moved :—

> "That an humble address be presented to His Excellency the Governor General, praying that His Excellency will be pleased to cause to be laid before this House a copy of any Order in Council regulating the working of the Railway Swing Bridge crossing Burlington Bay Canal."

He said : I took some little interest in opposing the erection of this bridge at the time the matter was laid before the Privy Council. The argument used then by those who favored the bridge was that proper rules and regulations would be established with regard to the working of the bridge and every care would be taken that the interests of navigation should be duly protected. Some matters called my attention to the working of this bridge, and I could not find that any Order in Council had been published in the *Cazette* or any of the blue books that I looked through. I thought, therefore, that I would endeavor to get the information in this way. I want to know what the Order in Council was which was said to regulate this matter.

Hon. Sir ALEX. CAMPBELL.— I do not know whether there is an Order in-Council or not, but if there is one we have no objection to bringing it down.

The motion was agreed to.

THE GEOLOGICAL MUSEUM.

INQUIRIES.

Hon. Mr. RYAN inquired of the Government :—

> "At what price was the building on Sussex street intended for a Geological Museum, purchased by Government and when?

"What expenses have been incurred since the purchase, in the way of repairs, alterations, heating, painting and outfitting (whether for permanent or occasional use) and what are the further estimated expenses under these heads?

"What portions of the specimens formerly composing the geological collection at Montreal, has been removed to Ottawa, and at what cost? And what is the estimated cost of moving such further portion as it is still intended to transfer to Ottawa?

"Have instructions been given to the officer or officers of the Geological Survey, or others, to retain in Montreal duplicates of all or any of the specimens sent or to be sent to Ottawa?

"Is it the intention of Government to retain for use as a Geological Museum, the premises long occupied and specially fitted up as such in Montreal? Or is it intended to provide another suitable museum there, so that professors and students of universities and other scientific and educational establishments, as well as the mining and commercial classes and other citizens generally of Montreal, may not be deprived of the great advantage of having in their midst a reliable collection, faithfully illustrating the varied mineral resources of the Dominion?"

He said: It will be in the recollection of the House that in 1877 an Act was passed to regulate the Geological Survey, under which the removal of the Museum, which had been maintained at Montreal for thirty-six years, to Ottawa, was authorized. I may say that the divisions on the amendments which were offered to that Bill went to show a recognition of some right to the continuance in Montreal of a geological museum, and the majority by which that Bill was carried was by no means large. Still the Bill was carried. From that day we, of course, anticipated that at some future period the museum would be removed to Ottawa, and that time has now come. During the debate on that Bill the general feeling in the House seemed to be that a duplicate of the museum should be left in Montreal where it has been established for nearly forty years from the present time, and where, during that time, the educational institutions of that city have derived great advantage from it; not only educational establishments, but, I believe, also that gentlemen interested in mining affairs have had there a place to which they could resort for reference and information of a most valuable character. I mention these things as a preface to and as showing my reasons for asking the questions which I have placed on the notice paper. There is one important document, which I hold in my hand to-day, and which was presented to the Senate shortly after the passing through this House of the Act of 1877 — it had not been received at the time of the discussion upon the Bill — and with the permission of the House, I will now call their attention to it, as I think it establishes at least some claim on the part of Montreal, and will afford an explanation of some of the points in my questions of to-day. It is the petition of John W. Dawson, LL.D., Principal of McGill University, and G. R. Grant, of the City of Montreal, executors of the last will and testament of the late Sir William E. Logan, praying that the Geological Museum may be allowed to remain in Montreal, or that any legislation for its removal may include due provision for refunding the claims of the said late Sir William E. Logan's estate represented by the petitioners. The petition sets forth:—

"That from the date of his appointment to the geological survey in 1842 until his death in 1875, a period of thirty-three years, the late Sir W. E. Logan had expended out of his own private means to defray the cost of geological explorations, collecting of specimens, wages of assistants, purchase of scientific instruments and books, and for general expenses of the survey, as appears by his books of account, a sum of about $20,000, in addition to many other considerable items of expenditure within the knowledge of your petitioners, but which were not entered in the said books of account.

"That the said Sir W. E. Logan founded a chair of geology in connection with McGill College towards which he donated a sum of $20,000, and a gold medal on the same subject, with the view of facilitating the studies of young men availing themselves of the Geological Museum.

"That he also erected the building in St. James street, Montreal, having a frontage of 52 feet, mainly for the accommodation of the survey for offices of the director and his assistants, and to afford additional space necessary for the display of specimens in the Museum; the said building costing a sum of $30,000, and for the occupation of which the Government were charged the nominal rent of $1,200 per annum."

It is quite clear from this that if Sir William E. Logan had not contemplated, in making these donations, that the Museum would be continued in Montreal, he would not have founded a Chair of geology for McGill College, and awarded a gold medal to the best student in geology under his endowment, nor would he have expended $40,000 in establishing the Museum. This was one of the claims put forward that Montreal should retain at least a duplicate of the Museum which Sir William Logan had founded and liberally endowed, and to which students from McGill and other colleges of Montreal could resort for study. Hon. gentlemen who have followed the course of events are no doubt aware that applications have been made from time to time, and petitions presented from bodies in Montreal praying that this Museum be not removed, or that at least a duplicate of it may be continued there. Amongst others I may mention the petition of the Board of Trade of Montreal and of the Corn Exchange Association. It was considered an event of so much interest and importance by these two corporations, who do not usually devote their attention to matters of that sort, as to be worthy of a special petition, and what I wish to call the attention of the House particularly to is the reply which was given by the Minister of the day to that petition. I think hon. gentlemen will allow that in this reply there is a distinct pledge given that a duplicate museum shall be maintained in Montreal. In a letter addressed to the Board of Trade and Corn Exchange by the Hon. Mr. Masson, he says, under date the 20th December 1879 :—

> "Relating to the Museum, which more particularly interests Montreal, the Government will do all in their power to meet the views of the Board of Trade and Corn Exchange, as expressed in your letter. The collections at Montreal contain a very great number of duplicates. These duplicates will no doubt be made available for the creation of the Museum here, in connection with the Geological Survey Branch of the Department, but the Government will, on account of the particular circumstances of the case, maintain (during the pleasure of Parliament) a geological museum in Montreal, for the benefit of the educational institutions of the city."

Now, hon. gentlemen, if you come to consider the meaning of the word "maintain," I think it is very clear that the Government will — for they are bound by the letter of their colleague — maintain and sustain a Museum in Montreal such as described. We know that my hon. friend who introduced this Bill for the removal of the survey (Mr. Scott), in the debate on that Bill, when an amendment was moved stating that a particular body in Montreal might be employed to take care of the Museum, objected to such a clause being inserted, because, he said, it would involve a grant of money for the maintenance of that collection. I do not think anyone will dispute that the meaning of the word "maintain" is to support it, and to continue a grant in its support. Besides, the institution which was then indicated (the Natural History Society), there are many others in Montreal which are quite capable of taking care of a museum of that sort. I may instance the Redpath Museum, which is now being constructed — the munificent gift of Mr. Redpath to the McGill University. It will be a magnificent museum, and I am sorry to think that the Government would pass by such an institution in the distribution of its donations of specimens — if indeed it be their intention to do so — when even the museums of the United States are assisting it with donations from their valuable collections. I may state that besides McGill University there is the Jacques Cartier Normal School, the St. Sulpice Seminary, the Polytechnic Institute, and other institutions of learning, all of which pay attention to the study of geology, so that there can be no difficulty in finding in Montreal a proper custodian for duplicate minerals when the Survey has been removed to Ottawa. While saying this, I may remark that I do not approve of such a system of centralization as this commenced by the late Ministry, and in vogue with the present — which brings everything to the Capital, no matter how distant it may be from those most interested and affected. I have in my possession letters from persons well informed on this matter, to the effect that a large portion of the specimens which are most suitable for making a duplicate museum have been removed from Montreal to Ottawa. The explanation of this is simple, and I wish to call the attention of the Government to it: to assort and separate those specimens, more labor was required than was to be had from the ordinary funds voted for the Survey, and as there was no money provided by the Government to pay for that extra labor, a large number of packages of duplicate specimens suited for retention in Montreal, were sent indiscriminately forward, and are now, I believe, lying in Ottawa. If the facts that I have stated are at all a question of doubt, I would propose that the Government appoint a Commission to enquire into the whole matter and see how it can be best remedied. At all events, I trust that the Government will see in the first place that they are bound by the declaration of the Hon. Mr. Masson, their late colleague, and further, that a sum of money to carry out his pledge is absolutely required. It is also said in Montreal that the building containing the Museum has been, or is about to be, sold or rented to a moneyed institution. Whether the sale or lease has been carried out or not, I am not aware, but I want hon. gentlemen here to understand what the effect of such a sale will be. Some rare specimens of great geological importance were built into the walls by Sir Wm. Logan and cannot be removed without considerable cost and without probably destroying or seriously injuring them. These are very curious and rare specimens, and it does appear to me to be a sort of vandalism to destroy such monuments of the valuable labors of an eminent man — valuable also as contributions to the science of geology. But if the Government have made up their minds to derive a revenue from the sale or lease of such a building, it appears to me another reason why they should preserve some memorial of it in the shape of a duplicate Geological Museum in Montreal.

Hon. Sir ALEX. CAMPBELL — My hon. friend naturally attaches great importance to everything which concerns Montreal, but other members of the House will probably think that Halifax, or St. John, or Toronto, or Ottawa, or any other city, has as good a claim to the location of the Geological Museum, founded and maintained at the public expense, as Montreal. The people there should be grateful that they have had it so long, and are now promised duplicate specimens of many of the formations in the Museum. What the late Sir William Logan may or may not have imagined when he made his will and founded a chair of geology in the McGill University, is not a matter of any moment, for Parliament has decided that the Geological Museum of the Dominion should be in this city.

Hon. Mr. RYAN — When introducing my enquiries, I did not like to detain the House by reading the latter part of this petition, but in order to show that such was Sir William Logan's belief, I will read a further portion of it, showing that the late Sir William E. Logan made his donations and bequests to the Museum conditionally, and in the belief that the museum would be permanently maintained in Montreal : —

> "That in the event of the removal of the Museum from this city to Ottawa it might become the duty of your petitioners to recover the claims of the estate for which they are executors, against the Government, though in accordance with the known wishes of the late Sir Wm. E. Logan they would prefer that the Museum remain in Montreal, in which case such claims would be waived."

I am very sorry to disturb the line of argument which my hon. friend has taken, but I think this extract disposes of his assumed line of argument, and of his objections as to the views of the executors of Sir Wm. Logan's will.

Hon. Sir ALEX. CAMPBELL — With reference to the letter from Mr. Masson, which my hon. friend has quoted, I had not heard of it before, and do not know whether it was an official or a private letter, but it strikes me as far as my memory serves me, that the expression used in that letter was stronger than any decision ever arrived at by the Government in reference to this matter. I do not think the Government ever arrived at any decision to "maintain the Museum in Montreal."

Hon. Mr. RYAN—This letter has been written and published for over two years.

Hon. Sir ALEX. CAMPBELL — I say the language which is there used I never heard of before, and it is stronger than any decision ever arrived at by the Government upon that point. I think the facts show that it is very unlikely that any such decision could have been arrived at. It is not likely that Parliament would sanction the maintenance of two museums, one here, and one at Montreal. It is very unlikely that the Government would arrive at any decision to support two museums without the sanction of Parliament. As far as the duplicate specimens will permit they will be left in Montreal and placed in the custody of some one of the public institutions there. I am bound to say that in that reference to the letter which has been read, from Mr. Masson, who, I am sure, would not for the world overstate what the Government really mean, it is possible that his deputy may have, to a certain extent, overstated what Mr. Masson intended to say.

Hon. Mr. RYAN — It is a great convenience sometimes to have deputies.

Hon. Sir ALEX. CAMPBELL — I withdraw the word "deputy," and I will assume that Mr. Masson wrote the letter himself, and on his responsibility, but I will repeat that it overstates the decision arrived at by the Government. I think I have replied to all the arguments which my hon. friend has used. As to the questions which are placed on the notice paper, the first is : —

"At what price was the building on Sussex street, intended for a Geological Museum, purchased by Government, and when ?"

In answer to that question I beg to say that it was purchased—I don't know the exact date — but the amount for the building was $20,000. The next question is : —

"What expenses have been incurred since the purchase, in the way of repairs, alterations, heating, painting and outfitting (whether for permanent or occasianal use) and what are the further estimated expenses under these heads?"

The amount expended for alterations and repairs has been $1,410.88. There is a further estimated expenditure for this year of $9,250 for furniture, fittings, etc. The next is : —

"What portion of the specimens formerly composing the Geological collection at Montreal, has been removed to Ottawa, and at what cost ? And what is the estimated cost of moving such further portion as it is still intended to transfer to Utttawa ?"

The specimens composing the geological collections in Montreal are in course of removal to Ottawa. It is impossible to say what the expense of that removal will be

"Have instructions been given to the officer or officers of the Geological Survey, or others, to retain in Montreal duplicates of all or any of the specimens sent or to be sent to Ottawa ?"

It has been recommended that duplicate specimens will be left in Montreal in the custody of McGill University. My hon. friend stated that some of those duplicate specimens had arrived in Ottawa, and were stored, as he learned, in a cellar here. I have not learned that, but the information from the Department is what I have just given to the House.

Hon. Mr. RYAN — My question was : "Had instructions been sent to any of the officers of the Museum to retain in Montreal duplicates of all or any of the specimens."

Hon. Sir ALEX. CAMPBELL — Instructions were issued. These arrangements are all done under instructions. The last question is : —

"Is it the intention of the Government to retain for use as a Geological Museum the premises long occupied and specially fitted up as such in Montreal ? Or is it intended to provide another suitable museum there, so that professors and students of universities and other scientific and educational establishments, as well as the mining and commercial classes and other citizens generally of Montreal, may not be deprived of the great advantage of having in their midst a reliable collection, faithfully illustrating the varied mineral resources of the Dominion ?"

It is not the intention of the Government to retain the premises formerly occupied as a museum in Montreal. My hon. friend has stated in the course of his remarks that the building was to be sold to some person. I have not heard that it is. I, of course, sympathise with my hon. friend in his desire to keep duplicate specimens in Montreal. That will be done as far as it can be done, but not in the shape of maintenance of a special museum in that city. I am sorry the arrangement that has been made does not meet with the approbation of my hon. friend.

Hon. Mr. RYAN — It is impossible to keep a museum without expense, and if it is not the intention of the Government to contribute to the expense, of course it will throw the whole burden on the University to maintain it.

Hon. Mr. TRUDEL — I think it has been shown that a certain portion of this museum has been formed by gifts from the citizens of Montreal. The Government should, as a matter of justice, inquire into it, and ascertain what proportion of the museum has been given in that way, and they should contribute something, at least equal to the value of those gifts, towards maintaining a museum in Montreal.

Hon. Sir ALEX. CAMPBELL — I will inquire on that point. I have never heard of any considerable gift on the part of citizens of Montreal except that of Sir William Logan. There may have been other persons from different parts of the country who have contributed to the museum, but I do not know that that should form any basis for division. If it did, it might destroy the completeness of the national collection which should be at this city.

Hon. Mr. FERRIER — I wish to remind the Government that there was a pledge given by the ex-Secretary of State, at the time the Bill was before the House in 1877. On looking at the Debates of that year, I find the following remarks from the leader of the Government:—

> "Hon. Mr. Scott said he had been making inquiries of the Minister of the Interior, and was informed that the building in Montreal was quite unfit for the purpose, that they had tons of specimens now boxed up which they were unable to exhibit, and they must either get a new building in Montreal or remove elsewhere. He was further informed that there would be no difficulty whatever in leaving a very respectable museum in Montreal, in consequence of having duplicates, and the hon. gentleman from Montreal would be gratified to that extent. * * * A very considerable portion of the collection would remain in Montreal."

We know that the boxes sent to Ottawa contain duplicate specimens to supply all that will be required in Montreal. I simply rise for the purpose of pointing out that the then Secretary of State at the time that this Bill was before the House, made the statement that a very considerable portion of the collection would remain in Montreal.

Hon. Sir ALEX. CAMPBELL — I have already stated to the House that it is intended, where there are duplicate specimens, to leave them in Montreal in custody of McGill University, where there are triplicates or still more numerous specimens, they will be distributed elsewhere. It could not have been the intention of the late Government or of any Administration to impair or destroy the national collection by allowing a part of it to remain in Montreal. The whole of it must come to Ottawa, except where there are duplicate specimens.

Hon. Mr. FERRIER.— When inquiries were made it was ascertained that no instructions had been given to Mr. Selwyn to keep those specimens in Montreal. There will unnecessarily be the cartage of the specimens to Ottawa and back.

Hon. Sir ALEX. CAMPBELL — The late Secretary of State says that instructions were sent, but if they were not sent it was by accident, because the intention has been to leave the duplicates there.

Hon. Mr. AIKINS — I enquired at the Department of the Interior if such instructions had been given, and was informed by the Deputy Minister that they had been.

Hon. Mr. RYAN — I am assured that Mr. Selwyn never had such instructions.

Hon. Sir ALEX CAMPBELL — I shall take care that he receives them, and if the duplicate specimens are here they shall be sent back.

ASSINIBOINE BRIDGE COMPANY'S BILL

THIRD READING.

Hon. Mr. VIDAL, from the Committee on Standing Orders and Private Bills, reported Bill (27) "An Act to amend the Act 43 Vic., cap. 61, intituled 'An Act to incorporate the Assiniboine Bridge Company,' and to change the name of the said Company."

Hon. Mr. GIRARD moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

NORTHERN, NORTH-WESTERN AND SAULT STE. MARIE RAILWAY COMPANY.

PETITION PRESENTED.

Hon. Mr. ALLAN asked leave to present a petition from Adam Brown and others for a bill to incorporate the Northern, North-Western and Sault Ste. Marie Railway Company.

Hon. Mr. MILLER had strong doubts as to the regularity of this course; it did not meet with the requirements of the rules of the House. It amounted to a suspension of the rules without any motion.

Hon. Mr. ALLAN said if he had moved that the rule be suspended, and that his petition be read, it certainly would not be as regular a proceeding as to ask leave of the House to present the petition in order that it might be referred to the Committee on Standing Orders and Private Bills.

Hon. Mr. MILLER said the simple course for the hon. gentleman to pursue would be to give notice that on such and such a day he would move that the rule be suspended to allow the petition to be presented.

Hon. Mr. DICKEY contended that some step should be taken before the petition could be brought before the House,

After some discussion,

Hon. Mr. ALLAN said he desired to act in accordance with what appeared to be the general feeling of the House, and, therefore, moved that the 49th rule be suspended.

The motion was agreed to, and the petition was presented.

BILL INTRODUCED.

Bill (40) An Act to incorporate the Bay of Quinte Railway and Navigation Co.—(Mr. Read.)

EUROPEAN NORTH AMERICAN AND CANADIAN CABLE CO.'S BILL.

THIRD READING.

The Order of the day having been called for the third reading of Bill (F): "An Act to incorporate the European, American and Canadian Cable Company (Limited)."

Hon. Mr. Allan.

Hon. Mr. SCOTT said: This Bill was on the order paper yesterday for the third reading and on that occasion I moved an important amendment, which, in effect, was to strike out the clause in the Bill which restricted the Company as to their tariff rates. That provision in the Bill had been introduced by the House after the Committee had reported it. As the hon. gentleman who moved that amendment was absent from his place it was suggested, and very properly I think, that the Bill should stand over until to-day. He is in his place to-day, and I now ask the House to strike out the clause. I went pretty fully into the reasons for asking it yesterday. They are these: we have incorporated several cable companies, and in none of their charters have we imposed such a restriction. On the contrary, when the general Act was before the House in 1875, the question came up, and the proposition to impose such a restriction was directly negatived. So far as the land lines are concerned, no maximum rate is established in their charters; nor is the Governor in Council empowered to fix a tariff of rates. But apart from this, there is the strong objection that this Company, having no connection with land lines on this side of the Atlantic, would be handicapped by this restriction in competing, existing cable companies that have such connections. The Dominion Telegraph Company, at the time the Direct Cable Company was supposed to be an independent line, formed a union with it. The Montreal Telegraph Company acts altogether through the Western Union, and has no line running east of Sackville.

Hon. Mr. BOTSFORD — An important place.

Hon. Mr. SCOTT — Yes, it is an important place where a Canadian line hands over its business to a foreign company. The Montreal Telegraph Company has a close connection with the Anglo-American, which is really the powerful line that controls all the Atlantic cables. This new Company, restricted in this way, would be placed at a disadvantage in competing for business with the established companies. If we were sure that the present rates would be continued, there would be no objection to the clause, but the Montreal and Dominion Companies can at any time change their rates, and can in many ways discriminate in favor of the companies with which they are connected. Even within the older provinces of the Dominion, the local rates are not uniform. The rate up to certain points in Nova Scotia and New Brunswick is 20 cents for ten words, but to Prince Edward Island it is 70 cents, and east of Sackville, 30 cents, so that this clause is an unfair restriction upon this new Company. I shall therefore move that the Bill be not now read the third time, but be referred back to Committee of the Whole, to be amended by striking out this clause.

Hon. Mr. BOTSFORD — The shortest course, and the one followed in the House of Lords, would be to move the third reading of the Bill, and then move the amendment.

After a brief discussion as to the procedure,

Hon. Mr. WARK moved the third reading of the Bill.

Hon. Mr. SCOTT moved that the Bill be not read the third time, but that it be referred back to Committee with instructions to strike out the clause fixing the tariff.

Hon. Mr. GIBBS — I regret that I was not present yesterday when this measure was up, and when, as I understand from the remarks of the ex-Secretary of State, the question was fully discussed.

Hon. Mr. SCOTT — By myself only, not by other gentlemen.

Hon. Mr. GIBBS — I understood that the hon. gentleman went over the arguments which he used to a certain extent to-day in favor of striking out the amendment proposed by myself, and adopted in Committee. I do not suppose it is necessary that I should refer to what took place in Committee the other day on this Bill, but when it came into the House, it was asked whether there was such a clause in the Bill as I proposed. The answer being in the negative, I found that there was a general feeling expressed that there should be such a clause introduced, and it was in accordance with that feeling that I introduced an amendment to one of the clauses of the Bill, which was adopted by the House, I think the hon. gentleman himself, being the only member dissenting. I introduced the amendment because the hon. gentleman was an assenting party in the first instance, and the feeling of the House was strongly in its favor. I had some delicacy about doing so before that, but on the assurance of hon. gentlemen who were promoting this Bill that not only did they not object, but those who were interested in it had no objection, I moved the amendment. Now, hon. gentlemen, it has been urged that this amendment should not pass, because the Company organizing under this Bill has no land lines at present. But neither had any other company that has been incorporated by this House. Some regret has been expressed that a clause of this restrictive character was not introduced originally when Parliament first began to give charters to cable companies, and it was also stated by the hon. gentleman from Amherst, with a good deal of force, that the longer it was delayed the more difficulty there would be in introducing such a clause into bills of this kind in this branch of the Legislature. I therefore felt it was my duty to introduce such a clause in this Bill, and to press it upon the notice of the House. While there may be some force in the remark of the hon. gentleman opposite (Mr. Scott) that this is the first restriction of the kind that has been placed on any company asking for a charter, if this amendment is accepted by the House it will virtually apply to some, if not all, other companies in this way. The Dominion Telegraph Company has an arrangement with the Direct Cable Company. Among other things that arrangement provides that the Direct Cable Company shall transmit messages from one side of the Atlantic to the other upon as low and upon as favorable terms as any other line doing business across the Atlantic. The effect of this amendment will be to restrict that Company from charging a higher rate than is charged to-day, which is the same as the maximum rate fixed by the amendment in the charter to this Company. I cannot speak as to the arrangements of other companies. The Montreal Company may have nothing to do in making arrangements with the Cable Companies. The lines in the Maritime Provinces with which they connect are all under the control of the Western Union, and any arrangements that are made with the cable companies are probably made by the Western Union. The Western Union has its arrangements with the Anglo-American Company, and this new Cable company will have to make its own arrangements with the land lines now existing, or do as the Direct United States Cable line did when it had to compete with the Anglo-American. If the introduction of this amendment restricts this Company to this charge, it does them no injustice either at the present moment or in the future, because they think it is a fair rate, and there will be such competition for traffic across the Atlantic that it is not likely to be any higher. In view of these facts I feel more disposed than ever to press upon the House the acceptance of the amendment to which it assented the other day. I think I may add that it is rather an unusual proceeding — an amendment of this kind having been duly considered in committee, and having been concurred in by the House—that the House should be asked to reverse its decision without any sufficient reason being given for doing so. I think in the interests of the public this principle should be maintained. I do not want to do this Company any injustice; I would be very sorry to do anything that would prevent it from laying its cables, but they must find the same outlet for their difficulties as other companies have found in the past. If they cannot make their arrangements with existing land lines, they must construct new lines of their own.

Hon. Mr. SCOTT — When I was pressed on this point the other day I stated that I had no objection to the restriction as far as cable messages are concerned, nor would I now, if the cable messages, so far as this Company is concerned, were restricted to the present rates. But what I do say is that you are putting this Company entirely in the hands of the land lines. It is a different matter on the other side of the Atlantic, where the British Government have control of the land lines, but on this side the land lines are practically in the hands of the United States Companies. There is no doubt of that. The Western Union can at this very moment dictate the terms on which messages can be carried through Canada. Parliament has no power to interfere, and the Government has no power to interfere. The dictum can go forth from the City of New York, and the rate can be fixed at any price the directors may choose to dictate. In view of that fact, I do think it would be extremely unfair to place this Company, so far as land rates are concerned, at such an extreme disadvantage. If the House choose, I have no objection to accept a propsition limiting the rate to the cost of the cable message, and the message through Great Britain and Ireland at 45 cents.

Hon. Mr. DICKEY — I wish to point out to my hon. friend that he is mistaken when he says the whole lines of communication between the extreme east of Canada and the west are under the control of Americans. I am under the impression that the Dominion Telegraph Company has a line extending through Nova Scotia to the extreme end of Cape Breton, which is in no way connected with the Western Union..

Hon. Mr. SCOTT — I am credibly informed that a very considerable amount of that stock is held by Americans, and that practically the dividends in the Dominion are guaranteed by Jay Gould. If that is the fact that he has a controlling influence in that Company, and the Western Union has a controlling influence in the Montreal line, it bears out my argument.

Hon. Mr. GIBBS — The hon. gentleman contends that the land lines are practically in the hands of the Americans, and that they may raise the rates to any price they please. Now, what do we see on the other side? As soon as it was announced that a consolidation was to take place, the organization of a number of companies was immediately commenced all over the United States to go into opposition, and just as surely as the existing lines exact exorbitant or discriminating rates, you will find other companies organizing to take the business. The French Company whose cable is landed at Louisburg, on the shore of Nova Scotia, built a short land line from there to connect with the land system at Sydney, and its messages are forwarded on to their destination.

Hon. Mr. ARCHIBALD — The Dominion line runs to Sydney, and that is where the cable lands.

Hon. Mr. GIBBS — This Company can do the same with our lines, or with its own lines. There is the same way open for them that there is for any other company.

A vote was then taken on the amendment, which was rejected on the following division: —

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The Bill was then read the third time and passed.

PETROLEUM INSPECTION BILL.

IN COMMITTEE.

The House went into Committee of the Whole on Bill (L) "An Act to amend the Petroleum Inspection Act of 1880."

Hon. Mr. AIKINS said he judged yesterday when the House was in Committee on this Bill, that the feeling of hon. members was that the difference in the flash test between Canadian and American oils should be removed. He thought that was decidedly the feeling in this Chamber, but was anxious that the change should be made with safety. He understood from the officers of the Department that it could be made, for, after all, the great object they had in view was to protect those who were unable to protect themselves — the public. There is nothing more dangerous for daily use than inferior oil possessing a great deal of inflammable gas. The officers of the department assured him that the change could be made with perfect safety, and under those circumstances he proposed to make an amendment in that direction. He would therefore move that clause 1, with the sub-section be struck out, and that the following be substituted therefor.

CLAUSE A.

"The second section of the said Act is hereby repealed, and the following substituted :—

"Except as herein otherwise provided petroleum shall not be sold or offered for sale for use in Canada for illuminating purposes."

"1. If at a lower temperature by ninety-five degrees Fahrenheit's thermometer when tested by the pyrometer described in the schedule to this Act, which test for the purposes of this Act is to be deemed equal to a test at one hundred and fifteen degrees by instruments heretofore used under the Act hereby amended, it emits a vapor that will flash: or—

"2. If it weighs more than eight pounds and two hundredths of a pound per gallon; or —

"3. If it weighs less than seven pounds and seventy-five hundredths of a pound per gallon."

"The second clause being again read, it was disagreed to and the following substituted: —

The amendment was agreed to.

Hon. Mr. AIKINS proposed other slight amendments, which were also agreed to.

Hon. Mr. DICKEY said before the Committee rose, he would like to call the attention of the hon. gentleman in charge of this Bill to the condition of section 6, sub-section 2. The clause as printed in the Bill immediately before this, provided for the importation and storage of petroleum. To that there could be no objection, but it had introduced a new element into the matter, because it imposed very heavy penalties on persons who used this article. He would like to call the attention of his hon. friend to the practical operation of this clause, which was now inserted for the first time in the Act, and which made any person, however innocent, and without any knowledge whatever of the tests of the oil, liable to a severe penalty for using oil below the standard. That would be an intolerable burden on the people of this country, because everyone who purchased oil would be liable to prosecution. It was quite right to forfeit inferior oil, and make all sorts of stringent regulations against the importation and storage of the article, but innocent purchasers should not be made liable to penalties.

Hon. Mr. AIKINS said the necessity for this clause had grown out of the fact that up to the present time there have been no municipal regulations in many municipalities for the storage of petroleum. His attention had been called to the fact that in Halifax, in the absence of such regulations petroleum or naphtha might be stored in any part of the city. The object of this clause was to prevent that being done by the Governor in Council making regulations for the storage of petroleum where no municipal regulations exist. It never was intended that a person having in his possession oil purchased at a store, and which would not stand the flash test should be subject to this penalty.

Hon. Mr. DEVER — It is not intended to apply to the consumer ?

Hon. Mr. AIKINS — Not at all; only to large dealers.

Hon. Mr. VIDAL said the objection of the hon. Senator from Amherst had not been fully met. It could only be met by striking out the word "use." He moved that that word be struck out.

Hon. Mr. AIKINS had no objection to the amendment, but thought it would be better to insert the word "knowingly" before the word "use."

Hon. Mr. VIDAL — That would remove the objection.

The clause was accordingly amended by inserting the word "knowingly."

Hon. Mr. BENSON, from the Committee, reported the Bill with several amendments.

CANADA GUARANTEE COMPANY'S BILL.

SECOND READING.

Hon. Mr. FERRIER moved the second reading of Bill (36) "An Act further to amend the Act incorporating the Canada Guarantee Company, and to change the name of the said Company to 'The Guarantee Company of North America.'"

The motion was agreed to, and the Bill was read the second time.

EXCHANGE BANK BILL.

SECOND READING.

Hon. Mr. RYAN moved the second reading of Bill (8) "An Act to reduce the capital stock of the Exchange Bank of Canada, and otherwise to amend the Act respecting the said Bank."

The motion was agreed to and the Bill was read the second time.

The Senate adjourned at 5.50 p.m.

THE SENATE.

Thursday, February 24th, 1881.

The Speaker took the chair at three p.m..

Prayers and routine proceedings.

LAVAL UNIVERSITY.

MOTION.

Hon. Mr. PAQUET moved :—

"That an humble Address be presented to His Excellency the Governor-General, praying that His Excellency will cause to be laid before this House the following documents, viz.:

"1st. The draft of a proposed new charter for the Laval University, which draft was sent to England with the Archbishop and Bishop's petition.

"2nd. The reply of the Colonial Secretary to that petition, and all other documents connected with the Laval University question.

"3rd. The petition and the "Exposé de faits' of 'l'Ecole de Médecine et de Chirurgie de Montréal' registered in the hon. Secretary of State's office during the present month."

Hon. Sir ALEX. CAMPBELL — There is no objection to the address. I would not have put my hon. friend to the trouble of moving it only I found, by reference to the Secretary of State's Department, that they required some authority before they could send those documents out.

The motion was agreed to.

THE BEVERIDGE AND TIBBITS' CLAIM.

MOTION.

Hon. Mr. GLASIER moved: —

"That he will move for a Select Committee to inquire into the circumstances of a debt devolving upon the Dominion Government by the British North America Act, and now due to the Honorable Benjamin Beveridge, James Tibbits, and others, the liability for which has been acknowledged by various Reports, Orders in Council, and payments on account both by the late and present Administrations, but the final payment withheld for some cause unknown; and that the said Committee be composed of the Honorable Messrs. Montgomery, Read, Lewin, Trudel, Bureau, McClelan and the mover, with power to send for persons and papers."

He said: This matter has been before the Government and before the public for a long while. In 1856 a Commission was appointed by the Governments of Canada and New Brunswick to investigate it, and that Commission made a report which was accepted by both of these Governments, and money was paid upon it. Still, they were ordered to made a further report, and they did further investigate the matter, but made no further report in consequence of one of the Commissioners being appointed an officer of the Government of New Brunswick, and the other elected to the Canadian Parliament, and the claim has not been settled to this day. In 1877 this matter was brought before the Dominion Government and a balance on all the transactions clearly established to have been due by New Brunswick, which by Order in Council of 30th August of that year was acknowledged to be a debt of the Dominion and due to the claimants subject to an assignment of the interest therein of the late Province of Canada, which assignment was duly obtained from Quebec and Ontario as representing the late Province of Canada. Money was then advanced and paid on it and the former Canadian Commissioner was requested to confer with the New Brunswick Government on the subject and inform them of the facts, which he did, and which were also communicated by despatch. The matter was still put off from time to time until a very short period ago when, after a further audit which established the debt, a Commission was again appointed to investigate the claim. That Commission has been spoken of as an arbitration, which it was not; we had nothing to do with it, we were not a party to it. The Commission made a report, but instead of starting from the point indicated in the Order in Council appointing them, they went back of it to reduce the debt and did diminish it without facts or figures to sustain them. The claimants dissented from that, as they were no party to it. This was a majority report, but there was a minority report also which gave the correct figures from the Government books. I ask for this committee merely for the purpose of investigating the matter.

Hon. Sir ALEX. CAMPBELL — It is somewhat embarrassing to deal with this motion, since it is a repetition of one which was made only a few days ago by an hon. gentleman who sits near me, who, on hearing the matter somewhat discussed, withdrew it, and I think that he did so in the exercise of a sound discretion. I do not think the perseverance in the plan which my hon. friend who has made the motion to-day has in his mind will be attended with any useful result. It is not a question, as the hon. gentleman seems to suppose, for the Dominion Government to decide; it is not a question which they can decide. The language of the motion conveys the idea that it is a debt devolving on the Dominion Government. When once it shall have been settled what the amount of the debt is — by whom and to whom it shall be paid — then, if it turns out to be a debt which the late Province of Canada should have paid, it will be payable by the Dominion, but at present the Government of the Dominion is not in a position to say that they will or will not pay this debt, or that it is not due. The

Province of New Brunswick must be a party to dealing with it, and the Government of the Dominion is not in a position to assent to the suggestion made by my hon. friend for a committee on the subject. nor can we assent to the language which is used in the motion, that it is a debt devolving on the Dominion Government by the British North America Act, and that it is now due to those gentlemen whose names are mentioned. That it has been acknowledged by various reports and Orders in Council is incorrect. Certain payments had been made acknowledging that something should be done, but very carefully has it been avoided to acknowledge the debt in the sense in which my hon. friend means. That a certain sum should be paid has been acknowledged, and that sum has been paid, but beyond that there has been no acknowledgment, so that the language of the motion I conceive to be quite incorrect in asserting that there is a debt devolving upon the Dominion Government, and asserting that it has been acknowledged by various Orders in Council and reports. Now, as to the amount, supposing this Committee should be appointed by the House, and they should report $20,000 or any other sum to be due, the Government could not acquiesce in or act upon the report of the Committee, because the Government is acting for another, and the Government of New Brunswick must be heard on the question, and has not assented to this means of inquiring into and disposing of the question. I have a strong feeling of sympathy for my hon. friend in the matter, and I do not like to oppose the appointment of a Committee, but I should like my hon. friend to see that no good could result from it — that a Committee could not arrive at any decision which the Government, even if they desired to, could acquiesce in or could obey. The Government is bound to consider what New Brunswick thinks and decides in the matter.

Hon. Mr. GLASIER — If my hon. friend will only give us the committee, the claimants will abide by the result. In 1877 the debt was acknowledged by the late Government, and money was paid by that Government on the acknowledgment. Let the matter come up before the committee, and let the parties abide by the decision of that committee.

Hon. Sir ALEX. CAMPBELL — If the hon. gentleman thinks there is any advantage to those who are claiming this money in having a committee make a report which cannot be obligatory — which, I state in my place in the House, cannot be obligatory — I do not feel disposed to oppose the appointment of the committee. but I think my hon. friend is unwise; I believe he is only raising up opposition which otherwise might not be created — that he is making difficulties for himself, and that the committee which he asks to be appointed cannot possibly dispose of the case. The Government of New Brunswick is not bound to accept this committee as an arbitration; they have already accepted a different tribunal. A Commission, with their consent, was appointed, and they accepted the decision of a majority of that commission, and are ready to carry it out, but the Government of New Brunswick have not in any way assented to the appointment of this committee.

Hon. Mr. GLASIER — The claimants were not parties to that commission. They are perfectly willing to have a committee of this House investigate the claim; the Government may or may not accept their decision, but I desire to have the committee appointed.

Hon. Sir ALEX. CAMPBELL — I can only say, in answer to my hon. friend's appeal, I will not persist in objecting to granting the committee. He will remember that I have taken special care to inform the House that the Government of New Brunswick is not an assenting party, and that I do not think they will be contented with any report which the committee may make, and that so far as the Government of the Dominion is concerned, I must, with great deference and respect to the House, if they grant the committee, say that the decision of the committee is not one which, under the circumstances, they can expect us to carry out. It seems stultifying the action of the House to appoint a committee and to say at the same time that the decision at which it may arrive will not be carried out.

Hon. Mr. BOTSFORD — I have already given my opinion with respect to the resolution that was proposed the other day and withdrawn, and reiterated by the hon. gentleman to-day. If I could see any good result that might arise from any investigation which a Committee of this House could make on this question, I would not feel disposed to oppose an hon. member coming from my own Province. But knowing a great deal of the circumstances connected with this claim, I must confess that an investigation will be fruitless. It will cause a great deal of trouble and expense to have it thoroughly investigated, and the result will not be such as is anticipated by those persons who are interested in this claim. I may say if this committee be granted, that the hon. members on that committee will take upon themselves a duty which will take six months in my opinion to be thoroughly investigated. The circumstances of the case are surrounded by so many matters which require thorough investigation, not only by witnesses, but also by documents, that it would be impossible for the committee to arrive at any satisfactory conclusion without a great deal of time, labor and expense. This question dates back for centuries. It involves the question of what were the boundaries of ancient Acadia. The north-westerly boundaries of Acadia were those of New Brunswick, and this disputed territory fund has arisen from a claim on behalf of Canada over land which came within the boundaries of ancient Acadia. The records show that the valley of the river St. John and its tributaries and the valley of the Restigouche and its tributaries were both part and parcel of ancient Acadia, and when Nova Scotia was divided and New Brunswick constituted a province, they were entitled to the possession of the lands within the boundaries of ancient Acadia. Now it so happened that from the want of information on the part of the British Commissioner, who sat at Ghent, in establishing the boundary between the United States and the British possessions—he was entirely ignorant of the geography of the country — the terms of the treaty were left so indefinite that it enabled the Americans to make a claim to about one-third of the land which belonged to the Province of New Brunswick. There is no doubt, also, that the very first question which arose under the Treaty of Ghent was: what was the true St. Croix. Ancient Acadia is known to those who have looked into the old records as having extended as far as the Kennebec, and there is no doubt that at the time the Treaty was negotiated in Ghent, the Penobscott was the true St. Croix of the Treaty, and was so intended by the Commissioners who established the boundary. The statement was made immediately after the negotiation took place as regards the St. Croix, and I think the mistake made respecting the claims of New Brunswick was that the umpire who was chosen to settle what the St. Croix was, was a resident of New York, and St. Croix was adopted instead of Penobscott. What took place next? The United States Government ran the boundary across the River St. John to the height of land which forms the source of the rivers which flow into the St. Lawrence and those which flow into the valleys of the Restigouche and St. John. It is unnecessary to go into a long discussion with respect to that affair, but I may mention for the information of hon. members who perhaps may not know, that at Washington, when the Ashburton Treaty was made, the British Government conceded the whole of the upper valley of the St. John to the Americans, instead of terminating at Mars Hill, which was the height of land — not only conceded the whole valley of the river, but extended the boundary thirty-five miles up the River St. Francis, a tributary of the St. John, which takes its rise at the source of the Riviere du Loup.

Hon. Mr. GLASIER — Thirty-eight miles.

Hon. Mr. BOTSFORD — I am speaking generally, that it went up to Lake Pokehagamook, and from thence in a south-west direction until it struck the highlands and the boundary which was contemplated by the treaty. This was all surrendered by the Ashburton Treaty. That treaty had, as a matter of course, to be submitted, as provided by the constitution, to the Senate of the United States for its sanction. The opposition to the treaty, especially by the Senators of

Maine and Massachusetts, was so decided that in order to overcome it Mr. Webster, then Secretary of State, and who negotiated the treaty with Lord Ashburton, was compelled to exhibit the original map, taken from the secret archives of the Government, which had been before the Commissioners at Ghent, and upon which was marked with a red line by Benjamin Franklin, the United States Commissioner, the boundary agreed upon, running along the highlands which divided the sources of the rivers flowing into the Atlantic from those of the tributaries of the rivers St. John and the St. Lawrence, showing conclusively that the claim of the United States to a portion of the territory of New Brunswick was unfounded and unjust. Lord Ashburton was kept in ignorance of this original map during the negotiations, but that Mr. Webster and the American Government were aware of its existence, and that their claim to the valley of the upper St. John was without foundation, was made apparent when Mr. Webster was obliged to lay before the Senate this conclusive evidence of the true boundary under the Treaty. Comment on this remarkable transaction is unnecessary. There is, then, no doubt that the western and northerly boundary of Acadia was from Penobscot to the height of land from which tributaries of the St. Lawrence had their source, and thence along that height of land northerly and easterly to Gaspé Bay. After the United States had taken off one-third of New Brunswick, Canada claimed a large portion of New Brunswick and granted the seigniory of Madawaska and Temiscouata, and the dispute was finally arranged by commissioners being appointed, and an umpire, to determine what should be the boundary. They made a compromise line, giving about half the territory to New Brunswick and the other half to Canada. Now, this question arises from persons who, without license from New Brunswick, cut timber on this disputed territory, and they were obliged to bring their lumber down the branches of the River St. John to market. The Government of New Brunswick issued Orders in Council to keep that territory free from trespassers, and they passed a regulation that if any parties cut timber on that disputed territory they should be subject to double duties. I am sorry to say that the Canadian Government granted license to cut on the disputed territory, and I believe the principal part of the timber which was cut and which is the principal subject of discussion, was cut under license from the Canadian Government. But the Government of New Brunswick, in accordance with the Orders which they had made in Council that the timber should not be cut until the boundary was settled, and, in order to protect their rights, ordered that double duties should be imposed on the timber. Commissions had been appointed and arbitrators were named to settle this matter, but the Government of New Brunswick have always resisted and contended that they had no right to pay the amount which is claimed by the parties who are the subject of this application. They feel that they have been wronged of their territory, not only by the United States, but they have been wronged by their stronger sister colony — Canada. That is the history of the case. The Militia of Maine, Massachusetts and New Hampshire took violent possession of the valley of the Arostook, which was within the ancient boundary of Acadia; the Government of Canada took almost similar possession of land belonging to New Brunswick by granting seigniories in the valley of the Madawaska. So that hon. members who consent to sit on this committee will see that this is a complicated question, that they will have to go into the whole of the general circumstances which surround it, and it would be utterly impossible for a committee to make any satisfactory report until the Government of New Brunswick sees fit to appear before it. I must confess under all these circumstances I do not see that any satisfactory result can come out of it. It is clear that the Government of New Brunswick will adhere to the award that has been made. It is clear that the Dominion Government cannot be compelled to pay, should the Committee make a report in favor of the claimants. I must confess I have no great sympathy with the persons who are claiming under these circumstances, because they cut that timber in violation of the orders of their own Government.

Hon. Mr. GLASIER — You are very much mistaken. We had license to cut.

Hon. Mr. BOTSFORD — Not from the Government of New Brunswick.

Hon. Mr. GLASIER — Yes, we had. You are very much mistaken.

Hon. Mr. BOTSFORD — All I have to say is that I was in the Government part of the time that timber was being cut, and the persons who were appointed as inspectors said the timber was cut in many cases without license at all, and it was seized by the officers who were appointed by the Government. That I have a distinct recollection of, and, therefore, have no great sympathy for those persons, because I know they got very fine timber, and if they paid double duty it was not too much, for they had the cut of the best timber lands in New Brunswick. If this resolution passes and a committee is appointed, I do not see that any satisfactory result can arise. They cannot make a satisfactory report unless they investigate all those circumstances, and have evidence before them, so that all parties who are interested should have an opportunity of being heard, and of showing why it is that New Brunswick does not feel disposed to pay this claim. I have a decided impression thatno good result will come from it.

Hon. Mr. GLASIER -- I am very much surprised at the remarks of the hon. gentleman. When he was a member of the New Brunswick Legislature, and when he was also a member of the Boundary Commission, he had these accounts before him, and said nothing of these historical matters that he has been going back 150 years to speak about to-day They are not connected with this question at all. When he was over a quarter of a century younger than he is now, and when these matters were before him — when he had these accounts and reports, why did he not bring up all these things? I am very much surprised that he takes this line now. The hon. gentleman has also stated that this timber was cut without licenses. I can tell him that I and others had licenses in 1842-43 from the Government of New Brunswick, and also licenses from the Government of Canada, and paid both Governments. I should like to have a committee to inquire into the matter. If the investigation comes to nothing we will, of course, be the losers.

Hon. Mr. READ — As the hon. member has put my name on the Committee, and the Government don't seem to have any great objection to this investigation, I suppose it is hardly worth while to say much on the subject. It seems that there is some question that the Government thought ought to be settled. Repeated action has been taken by different Governments with reference to this matter, not only by the appointment of Commissioners, but by the payment of money. The contention is, as I understand it, that the last Commissioners went beyon d the record; that they were instructed to do a certain thing, and that they did something beyond their instructions. Two of them made a report, but the Auditor-General said he could not agree with that report of his fellow Commissioners, because they had gone beyond what they had been instructed to investigate. In the Order - in - Council dated 9th April, 1880, after giving the names of the Commissioners, the reference says :—

> "As Commissioners to adjust and settle the said accounts and differences between the said Provinces, in accordance with the provisions of said Act, and that the legal obligations of the parties, in so far as such accounts have not been settled, adjusted and satisfied, under and by the reports of Messrs. Cutler and Dawson, of date 19th day of April, 1856, and the report of Messrs. Harding and Dawson, of date of 12th of November, 1856, and provided that nothing herein shall authorise the re-opening of any matter; closed by the said reports of the said Commissioners — Cutler and Dawson, or Harding and Dawson, the report of any two of the Commissioners to be valid."

What is claimed is that those Commissioners went beyond the record in not starting from the reports of Messrs. Cutler and Dawson, and Dawson and Harding. In corroboration of that fact, I have Mr. Macdougall's report here, and will read just a small paragraph or two rom it. He says :—

> "Our differences, therefore, are confined to the expenditure regarding the New Brunswick survey, and arbitration account marked A. I was satisfied as to the correctness of all the items except that for the expenses."

Showing that they went into an account of expenditure years before 1856. Now, while it would not relieve the members of the committee if they have to take six months for this investigation, I think it would relieve the Government if there was some investigation. It appears that some of Her Majesty's subjects are dissatisfied because certain moneys are due them, and no settlement can be obtained. Surely some means ought to be found to settle this matter that appears to have been running ever since the Ashburton Treaty. I simply give these few facts in connection with it, thinking possibly that it might be a relief to the Government to get rid of this matter in some manner or other. Whether the Government of New Brunswick or this Government think fit to acquiesce in the matter is another question. Governments do not always act upon the reports of committees. I had a committee once which reported to the House; the House concurred in that report, but the Government did not adopt it.

Hon. Dr. ALMON — From what fell from the leader of the Government, I was inclined to think that the motion of my hon. friend opposite was useless. He said that the Committee would meet, but could do nothing. But my hon. friend from Sackville says that instead of having little or nothing to do, the investigation would occupy them six months, and I am sure if the Committee should have to go over the fifty years to which he refers, it would take six years to complete the inquiry. But I think it quite unnecessary to go back so far. To my mind this is a very simple thing. There was a territory in dispute, claimed by New Brunswick and Quebec. A certain stumpage on timber was levied, and both Provinces claimed the dues should be paid to them. The lumbermen, knowing that it would have to be refunded by one Government or the other, went on cutting. The hon. Senator from Sackville says the proof that this timber was cut without license, is that he was informed that some parties were cutting timber there without license. I fail to see the conclusion of this argument, but that, perhaps, is due to the fact that I am not sufficiently long in public life, say fifty years, to see its force. These parties have a claim. Whether it is just or not I do not know, but surely it ought to be investigated. The worst criminal who has anything against his character has the courts open to him, but in this case there is no other tribunal to which the claimants can appeal, except the Dominion Parliament. If the claim should be established against the Dominion Government they have recourse against the New Brunswick Government, and I do not believe that in that case the Government of that Province would refuse to pay the amount. I regret that I made some hasty remarks the other day from which it might be inferred that I supposed the New Brunswick Government would not pay a just debt. Now, when I am in Nova Scotia I am a Nova Scotian, and when I am in New Brunswick I am a Nova Scotian, but outside of either I am a citizen of the Maritime Provinces. The interests of those Provinces are as dear to me as the honor of Nova Scotia itself, and the reason is that it was but a few years ago that Nova Scotia and New Brunswick were the one Province, and I hope the day is not far distant when, burying any little trifling jealousy or rivalry between them, they will be one Province again. The only difficulty about that is the name of the united provinces. Acadia is the natural name to choose, but then the difficulty in that case would be as my classical friend beside me would say that we would be called *arcades ambo*, which is rather a bad name in the classics. Suppose we rise superior to party in this case. It is a pity that we should always in this House vote the one way. No one is more willing than I am to follow the Government, and if they tell me that this is a test question, and that if the resolution is adopted they will go out of power, I say let justice suffer rather than have a change of Government. But if it is not supposed to be a test question, let justice influence us, or putting justice aside, let us be influenced and "give the little fellow fair play."

Hon. Mr. CARVELL — Perhaps the doctrine of the hon. Senator from Halifax — the greatest good to the greatest number — is sound, and a greater calamity would follow upon a change of Government, than if the claimants in this case were refused a hearing. As a supporter of the Government I regret that there should be any opposition on their part to this committee. Of the merits of the claim I know nothing. I have heard a good deal of it on the streets for years past. I do not quite understand the remark that fell from the leader of the Government that the mover of this resolution, in pressing for this committee, was probably raising obstacles that would stand in his own way later on; nor do I quite understand the reference of the hon. gentleman who followed him, that any gentleman accepting a position on the committee would be required to labor six months or more. I do not see that either of these positions is fairly taken in reference to this matter. If there is a claim, it can be settled without going back to the time of Columbus or to the time that Acadia was so extensive. There is no possibility, if I understand the record, of going back prior to 1856. The question appears to me as stated clearly by the hon. the seconder of the resolution, that certain Commissioners, not arbitration, were appointed to do a certain thing. They did not do that thing, but did something else, and the report of that something else has influenced the Government so that no further progress has been made towards the settlement of the claim beyond the payment of a few thousand dollars. It is well known to many outside of Governments that it is difficult for the weak to make good a claim against any government. I have a claim to-day, one of years standing, against one of the departments of the Government, which, because it is not very large, is difficult to have settled. It is as good a claim as any in the world, but I do not press it, because it is not worth the trouble it would take to collect it. These claimants, according to the position they take have a good claim. If this matter should be referred to a committee to be reported to the House, it could not put them in a worse position; it might not put them in a better position, but they consent to be bound by the report of that committee. The Government say they will not be bound by the decision of that committee on their part. Still, the claimants ask for the committee, and surely no harm can come to the Government, or any one, through the investigation. As I have said, I have heard a good deal out of doors in reference to this matter, and I have heard great complaints coupled with the names of one or two members of the present Government, who are gentlemen that I know to be incapable of any unfair or unkind act. I think that the report of this committee would go far to relieve these gentlemen of the very outspoken expressions in reference to them. I have heard these expressions in Ottawa, in Montreal, in St. John and in Halifax, that certain members of the Government are acting unfairly, and that they, and they alone, are in the gap — that a majority of the Government are willing to have this claim paid, but one or two of their colleagues prevent it. I speak with a good deal of feeling, because I know that so far as the gentlemen referred to are concerned they are incapable of an unkind, much less an unjust act, and I think, therefore, the Government should consent to the appointment of the committee.

Hon. Sir ALEX. CAMPBELL — I have said all that I am disposed to say with reference to the appointment of a committee, and the uselessness of the motion which my hon. friend desires to make. Having said so much, if my hon. friend still persists, I must ask him to alter the phraseology of this resolution, because it is impossible for me to assent to several of the propositions which it lays down. The resolution says :—" Inquire into the circumstances of a debt devolving upon the Dominion Government." I cannot assent to the assertion. I ask my hon. friend to insert the word "alleged" before "debt."

Hon. Mr. GLASIER — All right; say "alleged."

Hon. Sir ALEX. CAMPBELL—The resolution then says, "and now due to" certain parties. I cannot assent to that. It should be, "said to be due."

Hon. Mr. GLASIER — I assent to that.

Hon. Sir ALEX. CAMPBELL — Then I must also ask that the words "the liability for which has been acknowledged by various reports, Orders in Council, and payment of account, both by the late and present Administrations, but" be struck out.

Hon. Mr. GLASIER — Very good. I assent to that.

Hon. Sir ALEX. CAMPBELL — As I have already said, the decision of the Committee is one which the Government of the Dominion cannot acknowledge to be obligatory upon them. As it affects the Province of New Brunswick, I think some other gentlemen from that Province should be added to the Committee. I find among the names here Messrs. Lewin, McClelan, and the mover, from that Province. I think it would be well to add the names of Messrs. Wark, Boyd, and Dever.

Hon. Messrs. McClelan and Wark asked to have their names omitted, as circumstances would prevent them from acting upon the Committee.

Hon. Sir ALEX. CAMPBELL — Then Mr. Boyd and Mr. Dever will be added to the Committee. My hon. friend will keep in mind that the Government of the Dominion cannot possibly be bound by any decision at which the Committee may arrive.

The motion, as amended, was adopted, and was as follows :

"That a Select Committee be appointed to inquire into the circumstances of a debt alleged to devolve upon the Dominion Government by the British North America Act, and said to be now due to the Hon. Benjamin Beveridge, James Tibbitts, and others, but the payment of which is withheld for some cause unknowd ; and that the said Committee be composed of the Hon. Messrs. Montgomery Read, Lewin, Trudel, Bureau, Boyd, Dever and the Mover, with power to send for persons and papers."

PETROLEUM INSPECTION BILL.

AMENDMENTS CONCURRED IN.

Hon. Mr. AIKINS moved concurrence in the amendments made in Committee of the Whole in Bill (L) "An Act to amend the Petroleum Inspection Act of 1880."

The motion was agreed to on the understanding that the Bill should be reprinted before the third reading.

CATTLE TRADE WITH ENGLAND.

INQUIRY.

Hon. Mr. DICKEY — Before the House adjourns I would like to ask the hon. leader of the Government a question with reference to the answer he gave on a former occasion regarding a very important matter connected with the cattle trade. I understood from the hon. Postmaster General on that occasion — and his statement was in entire conformity with what was stated in another place — that there was no Order-in-Council requiring the slaughter of Canadian cattle within a limited period. I think it is six days after their being landed in England. I am sorry to be obliged to state it has come to my knowledge that within the last week a large importation of cattle from Halifax — I think between four and five hundred head of live stock besides dead meat — went to London and there they were met with that Order-in-Council requiring those cattle to be slaughtered. That is the information I have. I do not know whether it is correct, but I shall be very glad if the hon. leader of the House can give us any information upon the point, because it is a matter that affects a very large and growing enterprise in this country. It is one that concerns a great many people in this country — I believe all the eastern provinces of the Dominion.

Hon. Sir ALEX. CAMPBELL — It is a point of the very first importance I quite recognize. I am not able to give my hon. friend any information upon it. I saw the Minister of Agriculture, who takes the keenest interest in everything connected with that topic, for one hour— between two and three o'clock this afternoon — and he said nothing about any intimation having been received as to the slaughter of any cattle. The previous information I gave the House was on his authority, and was the result of a cablegram which he sent to London to ascertain whether such an Order-in-Council had been passed. On receiving the reply he communicated it to the other members of the Government, and it was from that reply that I spoke on the previous occasion. I will take occasion this afternoon to mention what the hon. gentleman from Amherst has said, and will inform the House to-morrow if we have any corroborative or contradictory information on the subject.

The Senate adjourned at 4.40 p.m.

THE SENATE.

Friday, February 25th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

CANADA GUARANTEE COMPANY'S BILL

AMENDMENTS CONCURRED IN.

Hon. Mr. VIDAL, from the Committee on Standing Orders and Private Bills, reported Bill (36) "An Act further to amend the Act incorporating the Canada Guarantee Company and to change the name of the said Company to 'The Guarantee Company of North America,'" with certain amendments.

Hon. Mr. FERRIER moved that the said amendments be concurred in.

The motion was agreed to.

THE CATTLE TRADE WITH ENGLAND.

EXPLANATION.

Hon. Sir ALEX. CAMPBELL—Before proceeding to the Orders of the day, I may mention to the House and particularly to the hon. Senator from Amherst, that I made inquiry as to the report which he had heard about the slaughter of cattle on their arrival in England, and the Minister of Agriculture has no information on the subject, and is quite confident that if anything of the kind had occurred Sir Alex. Galt would have cabled it at once.

ST. VINCENT DE PAUL PENITENTIARY.

MOTION.

Hon. Mr. BELLEROSE moved :—

> "That an humble address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House copies of all correspondence, Orders in Council, petitions, Commissions of Inquiry, returns and other documents connected with an inquiry which has taken place in 1880, respecting the management and administration of the St. Vincent de Paul Penitentiary by Warden Duchesneau."

He said : Hon. gentlemen, I sincerely regret that I have to occupy the time of the Senate on this question, but the debate which has taken place in another part of these buildings, as well as many rumors which have been spread in certain quarters relative to myself and the investigation against the Warden of the St. Vincent de Paul Penitentiary, lead me to believe that I would only be doing my duty to the Government, as well as to this hon. House, if I should now make some remarks on the subject mentioned in my motion. In June, 1879, an hon. member of the House of Commons (Mr. Desjardins) and myself, having reasons to believe that some of the officials of the Department of Justice, at Ottawa, had been working in a way to injure the St. Vincent de Paul Penitentiary, we both succeeded in having a Commission appointed to look over and report upon the matter. Messrs. Tache and Miall were appointed and received the following instructions : "To make a special report on the state and management of the St. Vincent de Paul Penitentiary." Those gentlemen having fulfilled the duties imposed upon them, laid their report before the Minister of Justice, and one of the officials of the Department was forced to send in his resignation and leave the Department. This same report speaks highly of the general administration of the Penitentiary of St. Vincent de Paul, and I am bound to say that the compliment was well deserved, the general management of the institution having been at that time as good as could be expected. But, hon. gentlemen, the two Commissioners whom I have just now named had no particular instructions to inquire into the private acts of each officer of the institution. There had been no charges made against any official of the Penitentiary, neither had the Commissioners any special orders as to receiving complaints from the officials of this institution, and I may say, as a matter of fact, that nothing of the kind was asked for or offered. So that those two gentlemen could do no more than report upon the general character of the administration, and, no doubt, the Warden, the principal officer, who could give information, did not consider it his duty to furnish a detailed statement of all acts of his which might not be advantageous to himself. Consequently nothing of the Warden's conduct was made known to the Commissioners — and they were bound to report as they did, and as any other gentlemen would have reported if placed in the same position. But this report had a bad effect upon the Warden, who then considered that he had nothing to fear, and so from that date became more negligent in the fulfilment of his duties, and more harsh towards his officers, so that a few months later it was apparent that the efficiency of the Penitentiary was diminishing. Nevertheless, no one, so far as I am aware, ever thought of complaining; neither the member for Laval nor myself ever dreamed of laying charges against the Warden. We were here in Ottawa attending to our Parliamentary duties, when a telegram reached me on the 26th or 27th April last, stating, "We three of the officers of the Penitentiary, have been dismissed this morning, without any reasons whatsoever." I immediately went to the Minister of Justice and begged of the hon. gentleman to inform me of the reasons for the dismissal of those men. The hon. Minister answered that he knew nothing of those dismissals, but that he would inquire. He did so, and a few days later I was informed that the Warden had given his reason in the following words contained in the report above mentioned of MM. Tache and Miall:—

> "Upon their admission of guilt, they were, through the generous pardon of the person thus offended against, retained by the Warden, and are reported by him to have since that date, given no cause of complaint.
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> * * * * *
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> "Notwithstanding the generosity of the Superior Officer in overlooking and freely pardoning those implicated, we doubt the wisdom of retaining in position, men who had proved themselves so utterly recreant to even the commonest decencies of social intercourse."

The hon. Minister of Justice having entered the Department of the President of the Council, where Mr. Masson was in his office, and the member for Laval being there, I asked that the three officers so dismissed be reinstated, or that the inquiry asked for by the discharged officers be granted. The inquiry was then and there promised by both Ministers, and Mr. Masson added, that while he had protected Dr. Duchesneau, he had always stated to his colleague, the Minister of Justice, that the Warden would have to discharge his duties faithfully. I defy the gentlemen who were then present and whose names I have mentioned, to contradict this statement. Such being the case, Mr. Masson's remarks upon this same subject, during the debate which took place on Wednesday last in another place, (which remarks are to be found in the official report of the Commons of the 23rd February instant) were, to say the least, indecent. Now, hon. gentlemen, let me call your attention a second time to the mission of MM. Tache and Miall; let me remind you that the instructions of the hon. Minister of Justice to those two gentlemen were "to make a special report on the state and management of the St. Vincent de Paul Penitentiary." Their instructions being of such a general character, these gentlemen could not possibly enter into the details of the acts of each officer, and consequently they could only report as they did on the general administration of the institution. But because the general administration is good, does it logically follow that there can be nothing wrong with some of the officers? Does it follow that even when serious charges are made against some of the officers, they are not to be inquired into; and that if proved no action is to be taken upon them? Surely there is no man possessed of common sense who would say so. Let me illustrate this proposition by facts. The two Commissioners above named, Messrs. Tache and Miall, in looking over the books and papers of the Penitentiary during their general inquiry, must have read an entry there made by the Inspector, when he had to deal with a conspiracy which had been entered into by four officers of the institution with one Dr. Germain, an outsider, against Dr. Pominville, surgeon of the institution, a position to which Dr. Germain aspired. But the Commissioners had no means of noting anything further, and had nothing to do with the question of the complicity of the Warden in this conspiracy. But the inquiry made last year against the Warden personally, established the fact that while he did not encourage the conspirators by words, he did so by deeds during four or five consecutive months.

The inquiry showed more; the evidence given under oath by Dr. Germain himself showed that the Warden was informed by him, from time to time, how things were going on. It shows still more — that the Warden's attention having been called officially to the conspiracy by one of the superior officers, the Warden answered that he could not blame those parties; that, on the contrary, he approved of their conduct. Now, if that be so, what Government would keep at the head of such an important institution a man who could have acted so? Do not the following words, which I find in the report of Messrs. Tache and Miall show that such an officer ought to be dismissed at once:—

> "We could not pass by the incident unnoticed, or without recording our condemnation of an offence which, being in itself a grave moral wrong, showed at the same time on the part of the wrong-doers a fatal want of the proper *esprit de corps* which should animate a body of men who, above all others, have to rely, sometimes in the face of the great perils, upon the honest dealings towards and generous help of each other."

Bear in mind also that the rules of penitentiaries, sanctioned by Parliament, are most stringent on this point. How could Messrs. Tache and Miall, charged with such a general investigation, find out that the Warden had been absent one-third of his time, and sometimes as frequently as fifteen to eighteen days a month? Those gentlemen had no means of ascertaining this, but in a special inquiry against the Warden the fact was established to the satisfaction of any reader of the evidence. Those two gentlemen, with the instructions they were to act upon, could not find out how the Warden had complied with rule 258, which read, as follows:

> "RULE 258—If any officer come to the prison with the appearance or odor of liquor upon him; or shall fall asleep on duty * * *; or be guilty of a gross neglect of duty, * *; or frequenting taverns * * * he shall be dismissed."

But this was easily ascertained in the last inquiry. Neither were they bound by their instructions to ask from the subaltern officers whether they had any complaints to lay against the Warden. Not being asked, none of the officers complained, and so everything which appeared showed that things worked smoothly, while in the last inquiry the brutality of the Warden, his rudeness towards a part of his staff, his partiality, etc., were easily established. The Commissioners could not discover, unless their attention was called to the fact, how far the Warden had complied with the 13th Rule of the Penitentaries of the Dominion, which is as follows:—

> "RULE 13.—For all which purposes he shall see every prisoner not in hospital at least once every day. He shall make regular visits to every part of the prison, setting down in the daily journal the particular portion inspected by him during the day. * * * *"

Neither could those two gentlemen, under their instructions, go so far into the details as to discover what has since been fully established by the last inquiry, namely: that the majority of the officers of that institution, the same who have been heard in support of the charges, during the inquiry, had always suffered patiently the ill-treatment they experienced from the Warden, as proved, while the minority, those who were the friends of the Warden, who were his pets, never hesitated to abuse the Warden behind his back, and some of them went even so far as to curse him and call him by names which I cannot repeat here but which will be found in the evidence. None of those charges having been laid before the two Commissioners, for the reasons already given, they were not inquired into, nor were many others which are to be found in the papers that I now ask for. But when the Warden dismissed the four officers who had conspired with Dr. Germain two years before, and who had been pardoned by the Inspector and by both Ministers of Justice (Hon. Mr. Laflamme and Hon. Mr. Macdonald), and when they had made known to me the whole story, I could then make up my mind and come to the conclusion that the Warden and not the officers ought to have been dismissed for that conspiracy. Such was the conclusion I arrived at. I was in duty bound, therefore, to stand by those men and recommend their prayer for an inquiry, so that justice might be done and the guilty (whether it should happen to be the Warden or his subordinate officers) should be punished, and not the innocent. This inquiry, as I said before, was granted. The charges were investigated, and the consequence was the dismissal of Dr. Duchesneau, as Warden. When the papers are laid before the House, hon. gentlemen will see that no government could have failed to dismiss an official under such circumstances. Now, hon. gentlemen, let me refer to the motives — political, it is said — that I am accused of having been actuated by when asking for this inquiry — and let me say that anyone making such insinuation must either speak in ignorance of what the facts are, or he must be a man who states what he knows to be untrue. I challenge any man to state that I have not, on all occasions, spoken favorably of the Warden and of his administration, though I was aware, as the papers will show, how the Warden treated his officers — even the superior officers — from the very beginning of his administration, and I had occasion, in due course of time, to discover many of the facts which now form part of the evidence against the Warden. This course I followed under the conviction that the good sense of the Warden would make him feel that while we treated him so well he ought to reciprocate, and not provoke us. I did more: to convince the Warden that though I spoke so highly of himself and of his administration, I knew how things were going. I rose one day in my seat in the Senate (April, 1877), and after having paid a compliment, well deserved, to the then Minister of Justice (Hon. Mr. Blake), I went on to question the accuracy of the reports of the officers of St. Vincent de Paul Penitentiary in the following manner :—

"It was a great pleasure to him (Mr. Bellerose) to be able to congratulate the hon. Minister of Justice on his efforts in that direction (changes in the *personnel* of the staff) and the success which had so far attended them. The impartiality shown by that hon. Minister (Mr. Blake) in those circumstances, he was bound to acknowledge was something to which they had not been accustomed under the administration of his predecessor in office. * * * * Now, he could tell hon. gentlemen that the report on the penitentiaries of the Dominion was a good proof that the Government might sometimes be misled by their own officers. Having gone over the reports of the different employees of the Government, at the Penitentiary of St. Vincent de Paul, he (Mr. Bellerose) regretted to have to say that they did not all contain such a correct statement of facts as the Government and Parliament were entitled to receive at the hands of those public servants. But, as he had said, it was not extraordinary if it sometimes happened that Ministers so misled did what was wrong, believing that they were doing what was right. Having stated so much he would not add anything more, hoping that the few words he had uttered might have their good effect, and help the hon. Minister to achieve the end he seemed to aim at—the administering of such institutions apart from all political influence and party feelings."

Having stated so much from my seat in the Senate in April, 1877, that is to say, fifteen months after Dr. Duchesneau had entered upon his duties as Warden, I was happy to hear some weeks later, in June, if my memory serves me well, that the then Minister of Justice (Hon. Mr. Laflamme) had ordered that a letter should be sent to the Warden, warning the officials against mixing in politics. But this recommendation had no effect, and things continued as they had been before, and never changed up to the time of the inquiry. Then, in 1878, the conspiracy against the surgeon of the institution, favored by the Warden, as already stated, came up. Did I, or did anyone else try to injure the Warden? No ; on the contrary, wishing, as I did, to protect the Warden and give him time to see the error of his way, I at once left for Montreal, where I knew the Minister of Justice (Hon. Mr. Laflamme) was, and, having met him, I told him everything about the conspiracy, adding that if he (as personal as well as a political friend of Dr. Duchesneau) did not put a stop to that shameful intrigue I would feel it my duty to lay before him charges against the Warden, which would lead to the dismissal of his friend. Mr. Laflamme promised that we should hear no more of that conspiracy ; but, though ordered to let the matter drop, the Warden tried again, some weeks later, to give a chance to the conspirators, but this second trial was not more successful than the first ; neither was the third attempt which was made later. Though such conduct on the part of the Warden might well have excited against him the ill-feelings of his political adversaries, yet no one that I know of ever dreamt of calling him to account for it or for any other charges that they might have laid against him. And it was only when he (the Warden) dismissed the four officers who had taken part in the conspiracy against Dr. Pominville, as I have already stated, and when those four officers had made known the whole of the facts and asked for an inquiry against the Warden (who had, as I have already stated, favored the conspiracy) that I thought could not refuse to recommend the hon. Minister of Justice to comply with their prayer that a thorough inquiry should be granted. I may fairly challenge any man to show that I at any time failed to stand by the Warden, and when the papers which I ask for are produced they will show what my animus toward the Warden has always been. I have been amazed at the character of the debates which took place in another part of these buildings on Wednesday last, and were it not that those debates were officially reported I could hardly have believed that men of standing such as a late Minister of the Crown should have assumed such a position as that taken on that occasion by Mr. Masson. That gentlemen is reported to have stated :—

> "And when I saw people wishing to get rid of Dr. Duchesneau, was it not my duty, having seen the results of his administration, to see that an efficient officer was not dismissed because he was a political opponent of ours. That officer was, however, dismissed, etc., etc."

I may here remark that during the whole time the investigation into Dr. Duchesneau's administration was going on Mr. Masson was a member of the Government, and consequently he could have satisfied himself on this most important point, namely, that though the Warden might have been an efficient officer, yet he might also have been a man that ought not to be at the head of such an institution. Mr. Masson could also have satisfied himself, at the time, of the number and of the importance of the charges laid against his *protege;* he could also have looked into the evidence given on both sides, and then made up his mind. Had he done so, he would not have placed himself in the ridiculous position he assumed during the debate I have alluded to. For my part, if I did not know that Mr. Masson had résigned his seat in the Government of the day on account of bad health, I would be inclined to look at his conduct in this instance as that of a traitor, but I prefer regarding it in quite another light and say that to his bad health must be partly attributed his unwise conduct; while the other part is, no doubt, attributable to Mr. Masson's fear that if Dr. Duchnesneau should return to Terrebonne, he might give him in future even more trouble in election times than he has given him in the past. It seems also that Mr. Masson has lost all confidence in his late colleagues since he expresses great doubts as to the necessity of the dismissal of Dr. Duschesneau; but has Mr. Masson forgotten that a political friend of the Warden was sent to take part in the inquiry, and could he not have gone to that gentleman and asked what was his opinion as to Dr. Duchesneau's dismissal? Surely, if Mr. Masson has now so little confidence in his late colleagues, the opinion of a gentleman of the standing of Mr. Lash would have been acceptable to him. Mr. Masson is also reported to have stated :—

> "I know that wardens of penitentiaries, against whom I wish to say nothing, have been discharged, or rather their services were dispensed with, and who are now receiving allowances of $1,000 a year as gratuity, while Dr. Duchesneau, who took charge of St. Vincent de Paul Penitentiary when it was in the bad condition, and at the low standard described in the report of Messrs. Tache and Miall, instead of being treated as other wardens had been treated, had been dismissed, his salary being stopped from the day of his dismissal."

Now, hon. gentlemen, I emphatically deny that a single case can be found where an official, after having had grave charges laid against him and proved, has ever been dismissed and received a gratuity at the same time of $1,000 a year. I also deny that the Warden, that Mr. Masson has alluded to as receiving a gratuity of $1,000 a year, has ever been dismissed, or that his services have ever been dispensed with. That official, on the contrary, resigned on account of bad health, and so could not be deprived of his superannuation. Such are the facts. And these facts show how weak the case of the late Warden is, when his friends — those who wish to protect him — are bound to compare his administration with that of his predecessor. Why, hon. gentlemen, it is well known throughout the length and breadth of the Province of Quebec that when Dr. Duchesneau took the warden-ship, the Penitentiary was no penitentiary at all. The then Warden having been sick for months, his energy had gone to such an extent that the different workshops of the institution had to be closed, and the convicts left without work for months. As for discipline, scarcely any was maintained. This state of things had gone so far that though the then Warden was a Conservative, the Conservative press began to reproach the Government for their neglect in permitting the institution to be ruined. It was when the Warden had resigned that Dr. Duchesneau was appointed. No doubt during the first period of the administration of Dr. Duchesneau good progress was made, and the evidence heard during the inquiry shows that such was the case; but that evidence also shows that during 1879 and 1880, that is to say, after the investigation by Messrs. Tache and Miall, the institution had retrograded by the negligence of the Warden to attend to his duties regularly. I cannot resume my seat without expresing my deep regret at the conduct of a then Minister of the Crown during the whole time this inquiry lasted, from its beginning in May until some weeks ago. Mr. Masson ought to understand now, if he then did not, that even when protecting a friend, there is a limit which, when overstepped, injures the protector. The stand that that gentleman took on Wednesday last in another part of these buildings on this very question, when under the influence of extreme passion, he rose in his place and bitterly reproached his late colleagues for the dismissal of Dr. Duchesneau, admitting, at the same time, that he did not know anything about the nature of the charges laid against that official, nor about the evidence given in support of those charges, is good evidence to me that Mr. Masson has been, and is still, entirely influenced by Mr. Duchesneau's reports to himself, and it also shows conclusively that the different stories circulated at the time in the Village of St. Vincent de Paul after each visit of Dr. Duchesneau to Mr. Masson, during the time of the inquiry, originated at Mr. Masson's, and that he is the responsible party. No doubt Mr. Masson may answer that Dr. Duchesneau violated confidence by repeating words spoken between them, but for all that a Minister of the Crown is not less responsible for his utterances and for the choice of his friends than anyone else. Since the beginning of this investigation, in May last, the village of St. Vincent de Paul has been full of such rumors as these :—"The Warden cared very little about his accusers; he was strongly supported by members of the Government; Mr. Masson had promised that his head would fall from his shoulders before the Warden would be dismissed; a few weeks more and the Warden would return to the Penitentiary and be reinstated, and then the whole of his accusers in the Penitentiary would be turned out of office, etc." These are some of the rumors that prevailed in the village. Hon. gentlemen will understand what must have been the anxiety of the Penitentiary officials when such menaces came to their ears, and this will explain why some of the officers who were called to give evidence objected to answer in a straightforward manner some of the questions put to them. While the Warden took this course, I, on the contrary, always preserved silence on all matters connected with the case. It is on account of this that even the gentleman (the member for Laval, Mr. Ouimet), who joined me in recommending the prayer of the petitioners for an inquiry, was forced to state, in another place, on Wednesday last, that he did not know anything of the evidence given. Having explained the whole case, and made known the relative position of all interested parties, I will now conclude my remarks by pressing the motion of which I have given notice.

Hon. Sir ALEX. CAMPBELL — I am sure that my hon. friend from De Lanaudiere will not think I am treating him with any want of respect if I do not follow him in his long speech on this subject. The Government has been somewhat unfortunate in dealing with the St. Vincent de Paul Penitentiary. Warden after Warden has been appointed and has not successfully managed the institution. Complaints have been made, and from time to time changes have taken place necessarily. The Warden to whom allusion has been made, Dr. Duchesneau, succeeded for a time, as my hon. friend has stated, in managing the affairs of the Penitentiary successfully. Complaints were made against him, which were duly investigated, and the result was that the Minister of Justice felt it necessary that the Warden should be dismissed. Whether the Minister of Justice was right or wrong in coming to that decision is the subject on which the hon. gentleman dilated. My hon. friend believed that he was right, and that the evidence justified the Warden's dismissal. In another place hon. members expressed the belief that the Minister of Justice was wrong in so deciding, and that the investigation should not have been attended with that result, but should have been conducted in some more conclusive manner. But whatever may be the opinion on that point, there is nothing, so far as the Government is concerned, to extenuate or defend. It is always an anxious task to deal with the penitentiaries, and every Minister of Justice is desirous of upholding anyone at the head of the Penitentiary, because it is an onerous, delicate, and responsible position, and one in which the Warden is entitled to the support, so far as it can reasonably be given, of the Minister of Justice. When Dr. Duchesneau was dismissed, it was with great reluctance, and only because in the opinion of the Minister of Justice, the inquiry called for the due administration of the functions of his office. I think, at all events, that that can be said with great safety. I shall not enter further into the discussion. The hon. gentleman assumes that the members of this House know more about this subject than they really do — more than I do. I did not hear Mr. Masson's speech, and it is not for me to defend him. I am sure that his character stands so high in the opinion of everybody who now listens to me, that the House will be disposed to form opinions carefully and slowly in the direction that my hon. friend's remarks tended. However, I do not propose to enter into that. I am only sorry that my hon. friend has found it necessary in a discussion in this House to attack an hon. gentleman occupying a distinguished position in the other branch of the Legislature. With regard to the papers themselves, they have been moved for elsewhere, and will probably be brought down there; but if not submitted there they will, if this address is passed, be brought down here. They will probably be produced and go to the Printing Committee, add from the excitement that this affair has occasioned in the Province of Quebec, he ordered to be printed by the Printing Committee. So, I suppose whether they are brought down in answer to this address, or in answer to a similar motion elsewhere, will make no difference — it will serve the object the hon. gentleman has in view. So far as the Government are concerned, we have no objection to the address.

Hon. Mr. BELLEROSE — I gave notice of this motion only after hearing the discussion in the other House. As I had asked for the inquiry, and had pushed it myself, it was thought in the other House that my name could be used freely, and so it was, and members of the other House who used it were quite right in doing so, provided I had a chance to reply. As I could not be heard in the other House, I thought I could, in asking for the papers here, draw attention to the facts, so that at all events the public might have my answer to those who had spoken on the subject in the other House. I may say that I should never have asked for the papers myself, if others had not taken the initiative. Some friends of Dr. Duchesneau having come to me, and reproached me for the harsh manner in which I had treated him, I explained the facts as I have stated them to-day. When they heard the whole statement they changed their minds, and asked me for the sake of Dr. Duchesneau's family, not to call for the papers or ask to have them printed, as they would certainly injure Dr. Duchesneau. I said I would not call for them, although Dr. Duchesneau had injured me in every place he had occasion to visit, reporting falsely everything connected with the inquiry. I did not give this notice, as I have already stated, until after the close of the debate on the subject in the other House, and after the papers asked for had been granted there. But I thought it was necessary then to bring the matter up here, that this House and the country might have a true statement of the case.

The motion was agreed to.

PETROLEUM INSPECTION BILL.

THIRD READING.

Hon. Mr. AIKINS moved the third reading of Bill (L) "An Act to amend the Petroleum Inspection Act of 1880." Before the Bill was read the third time he wished to correct a statement he had made the other day, in reply to the hon. member from Wallace, that the cost of the instrument for testing petroleum would be $25 or $30 each. He had since learned that the cost would be $15, and the price of the thermometer would bring it up to about $22. They were American instruments, but they were made in Canada and could be purchased at less cost than instruments in the old country.

The Bill was read the third time and passed.

INSPECTION LAW AMENDMENT BILL.

THIRD. READING.

The House went into Committee of the Whole on Bill (49) "An Act to amend the Inspection Act of 1874 and the Acts amending it."

Hon. Mr. AIKINS said that when this measure was last before the House he spoke of an amendment being made to it to permit pickled fish to be sent from one inspection district to another for the purpose of inspection. That amendment, when placed in his hand, he found was not satisfactory to the trade, and it was thought better to defer it until further information should be obtained in reference to it. He moved the adoption of the first clause.

Hon. Mr. BOTSFORD objected to the compulsory inspection of smoked herring as being a hardship to poor fishermen. However, as this Bill was for the purpose of reducing the inspection fee one-half, it would place them in a better position than they were under the existing law.

Hon. Mr. DEVER did not wish to be considered as being opposed to this Bill, but certain representations had been made to him that it would be very unpopular in the western portion of New Brunswick, as it would be a special tax on the poor fishermen. He suggested that the inspection law should be extended to apples. The export of apples from the Maritime Provinces was assuming large proportions, but it was found to be a risky business, owing to the fact that there was no guarantee that the barrels contained the quantity or quality represented by the sellers. If the Inspection Act were extended to apples, so as to secure uniformity in the size of the barrels used, and insure that the quality of the fruit is what it is represented to be, it would be a great advantage to shippers, and render the export trade more profitable.

Hon. Mr. REESOR, while admitting that there was an advantage in the inspection of products intended for shipment to foreign markets, considered that, as a rule, inspection of produce for the home markets should be permissive. He did not think the inspection of apples was practicable, because it would involve so much trouble and expense in opening barrels and examining fruit.

Hon. Mr. KAULBACH considered that the inspection of fish was of more benefit to the trade and to the public at large than the small fee charged for inspection. For his part, coming as he did from one of the largest fish exporting counties in Nova Scotia, he felt it was in the interest of fishermen that they should have the privilege of having their fish inspected at whatever place they considered it was best to their advantage. If the fisherman considered that his fish would bring a better price by being inspected at the point of shipment, he should have the option of having the inspection made then. At present it was a matter open to dispute, and gentlemen interested in the trade held different views on the subject. However, he hoped that by the next session of Parliament something definite would be decided upon in that respect.

Hon. Mr. LEWIN said the measure would have an injurious effect upon the fishermen of the County of Charlotte. There were a large number of fishermen who resided along the Passamaquoddy

Bay for a distance of twenty miles. They last year caught and cured for export about 600,000 boxes of herring. If the inspector was obliged to travel up and down that twenty miles of coast it would be difficult to collect the fees for inspection, and if the fishermen were obliged to bring their fish to a certain point to be inspected it would be a great hardship to them, as they were generally poor men. If the Government could see their way to exempt the fishermen of the County of Charlotte from the compulsory inspection, he would not have so much objection to the measure.

Hon. Mr. AIKINS said that the exaction of an inspection fee on any commodity was rather unpopular to the producer, and experience had shown that permissive inspection was not satisfactory. The point has been raised by my hon. friend from St. John, as to the difficulty of getting an inspector who would travel along the coast to make the inspections. He (Mr. Aikins) supposed the course pursued by inspectors was to appoint agents, who furnished security for the proper performance of their duty. He did not see how the County of Charlotte could be exempted from a law that extended to all the other counties of the Province of New Brunswick. As to the point raised by the hon. gentleman from Lunenburg, the attention of the Department had been called to it; but they did not see how it could be done. Apples could not be handled like fish; it would be troublesome and expensive, and the compulsory inspection of apples was impracticable.

Hon. Mr. SCOTT thought there was some misconception with regard to this Act. The law was not compulsory only in districts where the Government appointed inspectors, and inspectors were only appointed at the request of the local representative. This Bill did not effect the principle of the Inspection Law at all; it was only to reduce the inspection fee.

Hon. Mr. DEVER would not go as far as his hon. colleague from St. John (Mr. Lewin) and say that the whole County of Charlotte should be exempted from the operation of this law, but there was a portion of the County — the portion opposite Eastport, up as far as St. Stephen, that might be relieved from it. However, as the Minister of Inland Revenue had stated, it was a very difficult thing to do, and, as long as there was a general law on the Statute book, the fishermen of that district would have to take their chances like the others. He again urged the necessity for compulsory inspection of apples coming in large quantities into the cities if it can be practically accomplished.

Hon. Mr. MILLER could not understand what apples had to do with the question before the House. They were not discussing the principle of the inspection law, but an amendment to a comparatively unimportant section of that law. He did not approve of the stringent enactments which now stand on the Statute book in reference to this important subject, and he hoped Parliament would have an opportunity next session of expressing their views on the question. He rose practically to object to the exemption desired to be introduced into the Bill by the hon. gentlemen from New Brunswick. It would be unfair to the people who were engaged in the same business in Nova Scotia if they would be compelled to pay a tax for the inspection of their fish while a section of the neighboring province was permitted to send its fish to market without inspection. The Bill before the House was merely an amelioration of the existing law, as it reduced the fees at present exacted for the inspection of fish.

Hon. Mr. ARCHIBALD, from the Committee, reported the Bill without amendments.

The Bill was then read the third time and passed.

NAPIERVILLE JUNCTION RAILWAY BILL.

THIRD READING.

Hon. Mr. BUREAU moved concurrence in the amendments made by the Select Committee of Railways, Telegraphs and Harbors to Bill (A) "An Act to incorporate the Napierville Junction Railway and Quarry Company."

The motion was agreed to, and the Bill was read the third time and passed.

TEMPERANCE ACTS AMENDMENT BILL.

SECOND READING.

Hon. Mr. VIDAL moved the second reading of Bill (M) "An Act to explain and further amend the Canada Temperance Act, 1878, and the Act of 1879 amending the same." He said: This is the same Bill, with the exception of a slight alteration, as one which was adopted in this House last session. It will be in the memory of hon. gentlemen that last year the Bill came back to us from the House of Commons with a very important clause added to it — a clause so distasteful to the promoter and friends of the Bill in this Chamber that the measure was thrown out. As the principle involved in that clause has already been discussed in the House of Commons, and disposed of by a negative vote, thus admitting the wisdom of the course pursued by the Senate last year, I presume there will be no difficulty getting your assent to the Bill, and obtaining the amendments which are necessary for the easy working of the existing law. There is no new principle involved in the Bill. It is merely supplying some legislation for parts of the law which are found to be defective.

[Here the hon. gentleman gave a summary of the details of the Bill, and explained why the amendments were needed.]

Hon. Mr. KAULBACH — I do not see anything particularly objectionable in this Bill, but really a measure of this nature emanating from my hon. friend is received by me with a great deal of suspicion. What reasonable plan on this subject can come from him? His views, and the views of gentlemen like himself, are that the use of liquor of itself is a sin and an evil, no matter how moderately used.

Hon. Mr. VIDAL — We are not going into the principle of the law.

Hon. Mr. KAULBACH — True, but we should do so. His view is that the use *per se* is a sin, and the sale of it is consequently a heinous offence. In that, I do not believe the hon. gentleman represents a majority of Canadians. The great mass of temperance men are not total abstainers. The large bulk of the people — the vast majority of the Canadians — are temperate in their habits. They are the real temperance men, they are neither drunkards nor total abstainers. They know how to use the good things of this would without abusing them, and measures of this kind should emanate, not from wild enthusiasts with extreme prejudices, but from people who can see and reason fairly in temperance. Those who represent, and will not legislate in advance of, public opinion, or stamp an act as a crime which public opinion does not consider immoral, such are the views of the majority of the population of Canada. The public sentiment of the country does not favor those measures, so extremely unpopular and unpracticable. Temperance organizations are certainly very effective, productive of good, but must not be coercive, and exercise an influence over the laws of the country which does not meet with the approval of the majority in the various sections of the Dominion, and, until we have a clearly recorded majority of the people believing that it is necessary to be total abstainers, laws of this kind must be futile. You cannot force men to be total abstainers by acts of Parliament. I believe you must educate the people up in moral sentiment, and get a majority of them in favor of the law, otherwise such extreme temperance acts will demoralize the community, and, instead of being a benefit, will only tend to incite the people to disregard the laws, to violate the laws of the country and bring them into contempt. Why not strike at the roots — the manufacture, the importation, the high places in which wines and other alcoholic beverages are used temperately? Why not punish the user of it? Let the public be convinced that it is a sin to drink wine; if not wrong to drink it, it is not wrong to sell it. I am, and have always been, in favor of temperance laws and regulations to stop the abuse, but not the use, which has existed and will exist for all time.

Hon. Mr. ALMON — If the Bill introduced by the hon. gentleman was one which legislated against drunkenness, I, as a medical man, would be the last to object to it, because nobody sees the evil of intemperance more than a medical man, but the object of the measure is to put down the drinking, moderate or otherwise, of stimulating liquors, whether spirits, wine or malt, which is quite a different thing. If it even went to the fountain head, the measure would have my perfect concurrence. It was said in old times that the laws were like spiders' webs which got the small flies, and let the large ones go through. And that is the case with these temperance laws. Take the case of Halifax. Her trade from the West Indies is chiefly in sugar, rum and molasses. Rum is brought in large cargoes and stored on the wharves, and sold by the wholesale merchants to the retail dealers, whose shop, in many cases, is at the head of the wharf. You crush out the small dealer and impose heavy fines on him if this law goes into operation, which subjects their wives and children, in some cases, to poverty, while the rich man imports the liquor in large quantites, and escapes any punishment. You may say we cannot attack that trade, because there is a revenue derived from it. I doubt the morality of that; and, if the Dominion derives a benefit from the import duty, does not the city derive a benefit from licenses paid by the retail dealers? The use of liquors is allowed by the Bible. Medical men order it in some cases. A great benefit is frequently derived from its use. For my own part, I think a man who is overworked requires stimulants. Now, if you would be consistent and pass a law by which, not only the man who gets drunk, but the person who supplies him with the liquor, whether he imbibes it with his legs under the mahogany of a gentleman or over the counter of a log hut, should be fined, you would soon see an improvement; but, when you content yourself with coming down on the small dealer who sells by the glass, and allow the rich merchant to import his liquor by the hogshead, you have not the feeling of the community with you, and unless you have public sentiment on your side you cannot enforce such laws. Supposing you had what you choose to call a pain in your stomach, in Portland, for instance, do you think you would have any trouble at all in getting a glass of brandy?

Hon. Mr. DICKEY — Not the least.

Hon. Mr. ALMON — I am not going to oppose this measure at this stage; but, if you will introduce a bill to attack the vice at the fountain-head, I should be very glad to vote for it.

Hon. Mr. GIRARD — I feel honored at being asked to second this Bill. This is not the proper occasion to discuss the principle of the Temperance law. The measure before the House is merely one for the purpose of making the operation of the Scott Act easier. No doubt there is a great deal of diversity of sentiment on the subject of temperance legislation, but I do not hesitate to say that it has benefitted the Province of Manitoba very much, and I am quite sure it will continue to do good. The Scott Act has been adopted in a considerable portion of Manitoba, and I should not be surprised if within a short time it should be by the whole province, as it has been in Prince Edward Island. It has been said that Winnipeg is an exceedingly intemperate city; yet I believe that, if the people of that place were called upon to record their votes upon this law, there would be a large majority in favor of it. No doubt there are a great many hotels and saloons in Winnipeg, but that is because it is a new place, and there are a great many strangers continually coming there, so that such houses must be tolerated. Most of the disorder which occurred there from time to time should not be attributed to the people of Winnipeg, but to strangers who came there for the first time, and who, in the novelty of their situations, and from feelings of loneliness from being so far away from home, think they must do something extraordinary. The drunkenness of such people should not be attributed to the population of Winnipeg, who are quite as honest and temperate as any other population in any part of the Dominion. I gladly second the motion, and shall always be happy to assist my hon. friend in any way that I can in his advocacy of the temperance cause.

Hon. Mr. VIDAL — On a proper occasion, and before a proper audience, I am quite ready to break a lance on behalf of the temperance cause with the hon. gentlemen who have spoken in opposition to the Bill, but on an occasion of this kind, when the principle of the Act of 1878 has been affirmed by the House, and where the present Bill simply contains a few amendments to the general

Act to facilitate its working, I think this is not the time for a discussion on the general question of legislative prohibition.

The Bill was read the second time.

The Senate adjourned at 5.20 p.m.

THE SENATE.

Monday, February 28th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

CONSOLIDATED RAILWAY ACT AMENDMENT BILL.

SECOND READING.

Hon. Sir ALEX. CAMPBELL moved the second reading of Bill (N) "An Act to amend the Consolidated Railway Act, 1879." He said: This is a Bill which has been looked forward to with some interest on account of a promise which was made during the discussion in the respective Houses of Parliament, upon the subject of the Canadian Pacific Railway Bill, that a measure would be introduced to define the meaning of the word "capital," as used in the Railway Act of 1879. The House will, I am sure, remember that, when discussing the Canadian Pacific Railway Bill, some doubts arose in the minds of many hon. gentlemen as to the meaning of that word as used in the Consolidated Railway Act, and introduced in the Pacific Railway Bill. The provision in the Bill enabled the Government, whenever the Company should have earned ten per cent. on the capital invested in the construction of the road, to diminish the tolls; but it was urged that that provision amounted to very little, since the capital invested in the construction of the road would be an enormous sum, and the earnings of the road would never reach ten per cent., at least, not reach ten per cent. for a very indefinite period. On the part of the Government it was urged that the word "capital" did not mean the whole amount invested in construction, but merely the portion contributed by the Company; and, therefore, whenever the earnings of the road should have reached 10 per cent. on the capital invested in the construction of the road by the Company, the Governor in Council might diminish the tolls. It was urged by those who supported the Bill that this was the true construction of the Act as it stood, but, lest there should be any danger, and to guard against it by way of unusual precaution, it was promised hat a bill should be introduced to make that point perfectly clear, and define accurately and closely that the word "capital" as used in the Bill should mean nothing more than the sum invested by the Company in the road, to the exclusion of subsidies and bonuses granted by Government. This Bill includes that provision amongst others, and I think the clause will, in the opinion of hon. gentlemen, entirely meet the doubt which arose in the mind of some who discussed the Canadian Pacific Railway Bill. The language of the clause is:

> "The said word 'capital' as used in the said sub-section meant and means the paid-up stock and share capital of the Company, with interest added for periods during which no dividend is paid, to the exclusion of all subsidies and bonuses and of the debt of the Company: And this interpretation of the said word shall apply to all railway companies affected by the said sub-section or by any amendments of the said sub-section in which the said word is used, which is or shall be incorporated with the special act or charter of any railway company."

The hon. gentleman who leads the Opposition asked particularly during the discussion of the Canadian Pacific Railway measure, whether this Bill, which I then promised, would exclude expressly, and said that it ought to exclude expressly, subsidies, and seemed a little incredulous when I informed him that such would be the language of the Bill, and it will be observed that the clause not only says that the capital stock shall be what the Company pays in, but it adds that it shall be only that, to the exclusion of all subsidies and bonuses. A point that was not mentioned in that discussion, because it was of minor importance, and was one which, when once it came to be mentioned, would secure the approbation of the House, was that this paid-up capital should be increased by the interest upon it during those periods when the Company was not earning any dividend.

The language of the Bill now under consideration in this clause entirely meets, I think, the doubt and difficulties which beset the minds of some hon. members. There are two other points bearing upon the application of this clause which seem to need a remark or two in order to make them perfectly clear, so as, if possible, to leave no lingering apprehension behind in the matter. It will be observed in the first place the clause says: "The paid-up stock or share capital of the Company, to the exclusion of subsidies and bonuses." It may be suggested that the word "subsidy" does not mean land grant, but if hon. members will turn to the Canadian Pacific Railway Bill, they will see that the word "subsidies" was used with the purpose of including both the land subsidy and the money subsidy, and was used designedly for that purpose. I was a party to the preparation of that Bill, and we thought, after considering the point, and were looking up the exact meaning of the word "subsidy," that it would be more advisable to apply it both to money and land aid, and the House will find in sub-section A of the 9th clause of the Canadian Pacific Railway Act, as passed during the present session, that the subsidies of land, as well as of money, are spoken of by that word. The language of the 9th clause is as follows: —

> "In consideration of the premises the Government agree to grant to the Company a subsidy in money of $25,000,000, and in land of 25,000,000 acres, for which subsidies the construction of the Canadian Pacific Railway shall be completed. * * *"

Then sub-section A is as follows:—

> "The said subsidy in money is hereby divided and appropriated. * * *
>
> "And the said subsidy in land is hereby divided and appropriated. * * *"

So that there need be no lingering apprehension as to the meaning of the word "subsidy," as used in the Bill for which I now ask the second reading. It includes land and money; and members of the House who are also members of the legal profession will agree with me in thinking that in a bill of this kind it is more safe and more in consonance with the principles upon which bills are prepared, where once a defined meaning has been given to a word, to continue to use it in that meaning, and, therefore, in preparing this clause we adhered to the meaning previously adopted of the word "subsidy" in the Canadian Pacific Railway Act. Another point upon which I think, perhaps, there may be some hesitation in the minds of hon. gentlemen, is the application of this clause to an act which has already received the sanction of His Excellency the Governor General, and become law. The House will perceive that one precaution has been taken against this in the Bill. It says, "meant and means paid-up stock." It is quite open to Parliament at any time to interpret its own language upon which doubt has been thrown, and in this Bill, if it becomes law, Parliament will have declared and enacted that this word meant, and always meant, and still means, the paid-up stock and share capital only. We thought that that was the original construction of the clause, without any interpretation at all, but, certainly, when Parliament comes in afterwards and declares that word has meant and still means paid-up stock and capital, any lingering doubt upon that point must be considered as removed. But, by way of further and additional precaution, I will point to language which has been used in framing the charter. The House will bear in mind that one result of our legislation on this subject was to enable the Government to grant a charter to a company for the purpose of constructing the road under the terms and provisions of the Act of Parliament. When the charter came to be prepared, as it is found in the *Official Gazette*, and as it has since been acted upon by the Company, by way of additional precaution, this language was used in the 20th section: —

> "The limit to the reduction of tolls by the Parliament of Canada provided for by the eleventh sub-section of the 'Consolidated Railway Act, 1879,' respecting tolls, is hereby extended so that such reduction may be to such an extent that such tolls when reduced shall not produce less than ten per cent. per annum profit on the capital actually expended in the construction of the railway, as such capital may be defined by an Act of our Parliament of Canada, to be passed during the present session thereof."

So that the House will see that every precaution has been taken. In the first place, we thought that the language of the original Act itself was hardly open to misconception, and now, in the Bill before the House, it is proposed to say that the language meant and means simply the paid-up capital ; and, in addition to that, in granting the charter, we have taken the precaution to insert that the capital should mean whatever it might be defined to mean by the Act passed during the present session of Parliament. I think, therefore, that the point is made clear beyond any doubt or peradventure, and that the word "capital," as used in the Railway Act, will only mean the money contributed to the enterprize by the Company taking it in hand, to the exclusion of all subsidies and debts of the Company. We have added the word "bonuses," because the Bill now before the House is intended to apply not only to the Canadian Pacific Railway, but to all other railways, and, therefore, we use language not applicable specially to the Canadian Pacific Railway. "Bonuses" is a word which does not apply to their case. In the future, with reference to all railways, the word "capital," on which tolls will be calculated, will simply mean the amount contributed by the Company itself to the enterprize. These are the questions regarding this Bill which have excited more particularly the interest of the community, and I hope it will be found by the House to be quite clear and satisfactory. The rest of the Bill is of less importance ; one clause is to alter a clerical error, and other clauses are for the purpose of procuring more returns, forms of which are given. Then there are two sections which are intended to meet doubts which have arisen as to the construction of an act with reference to bridges over railways. My hon. friend from Belleville, I think, at one time drew attention to the subject, and a clause was introduced by which bridges over railways were required to show seven feet clear above the top of the railway car which passed under it; but it was a matter of doubt afterwards whether this clause included structures belonging to the railway company itself, as well as to structures erected by other bodies over railways. In order to clear up these doubts, sections have been enlarged, and been placed in this Bill, by which the rule is to apply clearly to all structures, whether built by the Company or belonging to other corporations or persons. But, in order to guard against, perhaps, serious evils which might result from the strict enforcement of the law, provision is made that the Governor in Council may exempt any bridge from the operation of the Act at his discretion. Without that the Victoria Bridge, for instance, would be contrary to law, but nobody would like to see the Victoria bridge pulled down. It is to meet cases of that kind — the Victoria bridge is the strongest one, but there may be others not so strong. It is, therefore, proposed that the Governor in Council shall have power in this Bill to exempt the bridge, and unless it is exempted it will come under the law. All bridges must show seven feet clear above the car which is to pass through, not only bridges belonging to the railway itself, but all other bridges crossing railways. I trust that the main clause with reference to the Canadian Pacific Railway, and the other clauses, are so framed that they will meet the approbation of the House.

Hon. Mr. DICKEY — I think the Government may be fairly congratulated on having fully redeemed the pledges given that any misapprehension as to the meaning of the word "capital" in the Railway Act of 1879 should be remedied by such a measure as the Bill now before us. I rose particularly for the purpose of making a suggestion to the hon. member who has charge of this Bill with reference to the word "capital," and the percentage to be derived from it. The rate fixed by the 17th section of the Consolidated Railway Act is 15 per cent., and the House will recollect that in the Canadian Pacific Railway Act stipulation was made that the maximum should be ten per cent. As we are amending this Act, I hope I may be pardoned for making a suggestion upon that subject. At the time that this Act was passed the rate of interest on money was very different from what it is at present. At that time eight, nine and as high as ten per cent. was paid on ordinary loans. Now this condition of things has entirely changed, and I think we are justified in assuming that we are dealing with a state of things in the future when six or seven per cent. may be regarded as the maximum rate. Even at this moment the neighboring Republic is laboring under great excitement with regard to a funding bill there which places the rate of interest on the public debt at three per cent. They have brought it down from five and six to four and three. I mention this to show the changed condition of things; under what different circumstances we stand at present; and it is in reference to that I wish to make a suggestion to the leader of the Government, that, while he is amending this Act, he should take into consideration the propriety of adopting ten per cent. as the maximum rate on all railways.

Hon. Sir ALEX. CAMPBELL — It has been adopted.

Hon. Mr. DICKEY — It has been adopted for the Canadian Pacific Railway, but the fifteen per cent. remains for other railways.

Hon. Mr. MILLER — This applies to all roads hereafter.

Hon. Mr. DICKEY — The word "capital" applies, but I am speaking now of the percentage; and we have this singular anomaly: we are amending this Act for the purpose of meeting the requirements of the changed condition of things with regard to the Pacific Railway Act, fixing ten per cent. as the maximum upon which the Government can act in preventing an increase of rates, while at the same time all other railways are entitled to fifteen per cent. I contend that, looking to the changed condition of things, the rate of ten per cent. which has been agreed to by this "horrible Syndicate," who are disposed to "grasp everything," bears about the same proportion to the present rate of interest that fifteen per cent. did to the rate of interest three years ago. Therefore I cannot see why we should keep up this very high rate for the advantage of the stockholders in other companies, obliging the people of this country to pay a very high rate of interest before they can get the benefit of reduced rates for traffic. It may be said that there are risks to be met. There are risks, but they are provided for and met out of the annual profits. Supposing an accident occurs involving extraordinary expenses during the year, such expenses are legitimately charged against the earnings of the road, and the annual profits are so far reduced. Such expenses do not come within the limit of the ten per cent., which, I think, ought to be a reasonable maximum. I hope the Government will take this suggestion into consideration, and, while they are amending the 17th section, they will amend it in such a way as to give a large measure of relief to the people of this country in the direction I have stated.

Hon. Mr. SCOTT — I purpose to make some observations on the Bill, but, with the consent of the House, I will reserve them until to-morrow.

Hon. Mr. MILLER — I was under the impression we would have heard some expression of gratification from my hon. friend before me (Mr. Scott), on the Bill which has been presented to the House. It will be in the recollection of hon. gentlemen that, when the Syndicate Bill was before Parliament, my hon. friend, in the course of the very able speech which he delivered on that occasion, attacking the Bill, very emphatically said that he found fault with the language of the clause which regulated the tolls, and contended that the amendment which the leader of the Government intimated would be brought down in another Bill should be made in the Syndicate Bill itself. My hon. friend was very doubtful at that time whether any statutory interpretation of an existing law could be placed on our Statute book, or whether such an amendment as seemed to be necessary could or would be introduced by the Government. He then very candidly, in the face of all this, and with the force which his utterances must have with the country, declared that if such an amendment as was intimated by the leader of the Government, were made to the law that a very large share of his objections to the whole scheme would disappear. I, at least, understood my hon. friend to make that emphatic declaration to the House, and I thought it was one that was worthy of him. It was a candid declaration of his honest convictions in reference to that great measure. Not only did my hon. friend make that declaration, but another gentleman, occupying a very high position in another branch of the Legislature, reiterated similar language, and I am sure it must be gratifying to those gentlemen, and a relief to the whole country, that this restriction which the Bill now before us provides for, has been submitted to Parliament. I must confess that at one time I had very strong doubts as to the construction of the clause as it stood in the Bill, but I expressed myself to my friends as favoring the construction that is now attempted by this declaratory measure to be given to the law. At the same time, I thought it was open to very serious doubt, and that there was a great deal of room for trouble and contention on the other side. Still, I hold the same opinion as that expressed by the hon. leader of the House, that the true intent and meaning of the language of the Syndicate Bill, was such as is now attempted to be carried out by this measure. But I am sure it must be a matter of satisfaction to the country to know that the greatest outcry, which was raised from one end of the Dominion to the other, against that Bill was in reference to the monopoly which was supposed to exist as to tolls, and that the monopoly cry is so completely swept away by this amendment. I ask this House, I ask any man in this country, I care not what side of politics he may belong to, if there can possibly be any monopoly or that rates can be exorbitant, which will not give more than ten per cent upon the capital invested in such a gigantic and hazardous undertaking! I am perfectly at one with my hon. friend on this question, and I think too much force and too much publicity cannot be given to the declarations which have fallen from the hon. gentlemen in this House, and in the other branch of the Legislature, who have taken such strong ground against the Syndicate that their principal objection — the monopoly of tolls — cannot exist under this construction of the law.

Hon. Mr. SCOTT — I merely rise for the purpose of removing any impression which might exist as to my acquiescing in the supposition that the language of this Bill will entirely cover the difficulty I foreshadowed in the debate on the Pacific Railway Bill. The reasons why I do not think it sufficient I will defer stating until the Bill takes a subsequent stage.

Hon. Mr. READ — As I have taken considerable interest for a number of years in the question of over-head bridges, I rise to ask the Government if they have fairly looked into this matter, and to ascertain whether this Bill applies to all railways?

Hon. Sir ALEX. CAMPBELL — It does.

Hon. Mr. READ — I ask this question because, to my surprise, two years ago, after having a clause inserted in a Bill then before the House that I supposed would cover the whole of the railway bridges in this country, an accident took took place at an over-head bridge near where I live, and the solicitor of the Company declared that this clause of the Act did not apply to that railway.

Hon. Sir ALEX. CAMPBELL — With reference to the two points which have been raised, first, the one suggested by the hon. gentleman from Amherst, I do not see why the general law should not be changed so as to make 10 per cent. the maximum revenue rate on capital, upon attaining which the tolls may be reduced by the Governor in Council. I cannot assent to such an amendment on my own authority, but I shall bring it under the notice of my colleagues, and if we can see our way to do so, I shall be very glad to adopt the suggestion. With reference to the point raised by my hon. friend from Belleville, the clause to which he refers will apply to every railway, unless the clause be excluded by the terms of its charter. It very often happens that in comparing railway bills, the promoters insert a clause saying that section so-and-so of the general Railway Act shall not apply to their bill. Except in the cases where this is done, the Consolidated Railway Act will apply to all railways. The bridge clause may have been excluded from the charter of the particular railway to which my hon. friend has alluded.

Hon. Mr. READ — My observation applies only to railways that were incorporated after the passage of that Act, not to railways which already had their charters of incorporation. When the difficulty arose, it was stated at once that the clause in the general Railway Act did not apply to the Grand Trunk, the Great Western, or the Northern Railways. I have not had time to look over this Bill, and would not, perhaps, know if I did, whether it would apply to existing railways. If it does not, it is quite time that it did.

Hon. Mr. FERRIER—The Act did not require that every bridge that exists over railways must be taken down and raised seven feet above the top of the cars. I think the Act merely required that every new structure or every alteration that was made should be subject to that clause of the Act.

Hon. Sir ALEX. CAMPBELL — I think my hon. friend was mistaken. The language on that point is very clear, but the protection which is found in that Act is that the Governor-General in Council may exempt such structures as they may think proper, which would exclude such bridges as the Victoria Bridge at Montreal and others of that importance. But it applies to all railways which come under the Act, and to existing bridges, as well as those to be constructed hereafter.

Hon. Mr. DICKEY — The 47th section of the Act is applicable to all bridges.

Hon. Mr. SCOTT — The hon. gentleman is right, as a limit of one year was given before the Act should go into operation.

Hon. Mr. READ — I was surprised after the clause was inserted in the Act and was carried through Parliament to find it stated at a coroner's investigation that the Act did not apply to the Grand Trunk, the Northern or the Great Western Railways.

Hon. Mr. FERRIER — I remember well, exception was taken to the enormous expenditure that it would involve if the railways were obliged to pull down all their bridges and rebuild them higher. In fact it could not be done without interrupting the traffic of the roads, and it was understood distinctly that it should apply to new structures or alterations, but not to bridges already constructed.

Hon. Mr. READ — I was under the impression that it applied to all railways. I took particular pains about it and I went and saw the Minister of Railways after I heard the statement of the Solicitor of the Grand Trunk Railway.

Hon. Mr. SCOTT — There is no doubt that when we discussed that Bill two years ago, we did it under the impression that the Grand Trunk Railway was governed by it, and it was at the suggestion of my hon. friend from Montreal (Mr. Ferrier) the postponement of one year was given. The clause was framed after consultation with him, and the House understood it affected the Grand Trunk Railway — that all bridges that approached within seven feet of the top of the cars should be removed, and all new bridges should be built the regulation height.

The Bill was read the second time.

THE PACIFIC RAILWAY CONTRACT.

RESOLUTIONS.

Hon. Sir ALEX. CAMPBELL — I desire to read to the House certain resolutions which were passed by the Board of Directors of the Canadian Pacific Railway Company in pursuance of an understanding which was arrived at between the Government and that Company before the Act under which they were incorporated became law. I did not wish to interject the reading of these resolutions into the discussion on the second reading of the Bill lest it should lead to misapprehension, and they were not germane to the topic before the House, but as it has become a matter of considerable interest, particularly to gentlemen from Ontario, who are very much concerned as to this point, the House will, I hope, permit me to do so now. A very general feeling pervaded the people of Ontario that the line to the Sault would be of very great advantage to that portion of the Dominion, and that it would be a desirable acquisition if the Canadian Pacific Railway Company could be induced to give running powers to other railways over that portion of their road west of Callendar Station, which might be included in any line to the Sault. The point was urged by the Government upon the Canadian Pacific

Railway Company as their Bill was going through the Houses of Parliament. It was impossible to introduce a provision into the Blll, because the contract had been executed by gentlemen who were not then in America, and who, therefore, could not be consulted, and no agreement could be arrived at by which the contract could be altered, but we had reason to believe that one of the earliest steps which the Company would take after they should become incorporated would be to meet the wishes of the country and of the Government on that point, and resolutions were passed at the first meeting of the Company at Montreal on that subject which I am sure the House will give me permission to give to the public in that way most consonant with Parliamentary usage. With reference to other points, also, resolutions have becn passed by the Company which will relieve, I am sure, some of the anxiety which many hon. gentlemen have felt with reference to the use which is to be made of the Canada Central Railway. Apprehensions were felt that if that line should be acquired by the Canadian Pacific Railway (it has not been acquired yet) it might be so used as to divert traffic from Ontario lines, or keep traffic upon it to the prejudice of railways going south to Toronto, Port Hope, and other parts of the Prov ince, and it was conceived to be very desirable to guard against that. The apprehension was that such charges might be made upon the Canada Central as would secure to it the traffic, to the prejudice of Ontario, and it was very desirable that the Canadian Pacific Railway Company should take ground upon that point. The desire of the Government was to secure absolute fairness to all sections of the community — that Callendar Station should be a neutral point, and that perfectly fair and equal rates should be given to every railway connecting with that point. We believe that, in the paper which I am about to read to the House, that object has also been secured, the two leading features of the resolutions being, first, to give running powers to any railway running to the Sault, over 65 miles of the Canadian Pacific Railway west from Callendar Station, upon the condition that the railway from the end of the 65 miles to the Sault should give running powers to the Canadian Pacific Railway, and to secure, as far as possible, perfect fairness and eqality to all railways connecting the Canadian Pacific Railway at Callendar Station. The resolutions are as follows:—

"EXTRACT *from the minutes of the first meeting of the Directors of the Canadian Pacific Railway Company, held at the Company's office, in Montreal, on Thursday, the* 17th *day of February,* 1881:—

"And whereas, in the course of the debate upon the Canadian Pacific Railway Act, certain questions arose which the contractors present at Ottawa deemed it expedient to meet by agreeing that this Company would enter into certain undertakings with the Government of Canada so soon as it should be organized, and it is expedient to provide for entering into such arrangements, therefore it is unanimously

"*Resolved*, that this Company is prepared to enter into an agreement with the Dominion Government to the effect following, that is to say: If any Company other than the Canada Central Railway Company builds a line from any point on the Canadian Pacific Railway at or about Wahuapit River to any point on Lake Huron or Lake Superior, or on the River St. Marie, such Company shall have running powers over the Canadian Pacific Railway from the point of junction to Callendar Station on condition that such Company shall grant to the Canadian Pacific Railway Company similar and reciprocal running powers over its Railway west of such point of junction.

"In the event of the Company purchasing, acquiring, amalgamating with, leasing or holding and operating the Canada Central Railway, the said Callendar Station shall continue to be a neutral or receiving and distributing point, common to the Canada Central Railway and any railway in the Province of Ontario running southward from said Callendar Station. And, in that case, all traffic to or from any point in the west or northwest, coming from or destined for any such Ontario railway, shall be carried to or from Callendar Station at the same mileage rate as similar traffic to or from such point, coming from or destined for the said Canada Central Railway, and such mileage rate shall not be greater than the average rate per mile charged for similar traffic from the point of shipment on the Canadian Pacific Railway to the point of destination on the Canada Central Railway, or from the point of shipment on the said Canada Central Railway to the point of destination on the Canadian Pacific Railway, as the case may be.

"And, for the purposes of this section, the word 'traffic' includes not only passengers and their baggage, goods, animals and things conveyed by railway, but also cars, trucks and vehicles of any description, adapted for running over any railway, if offered for carriage as freight; but this agreement shall not be construed as consenting to any running powers by any railway over the Canadian Pacific Railway. This agreement to be subject to the conditions as to special rates for the purchasers of land, or for emigrants or intending emigrants, which are contained in the 24th section of the charter of this Company. If at any time the Canada Central Railway should be purchased, acquired, leased in perpetuity by, or amalgamated with this Company, such amalgamation, acquisition, purchase, or lease shall be made subject to the existing legal obligations of that Company, created by its charter or any amendment thereof, in respect of running powers or traffic arrangements, as well as in respect of the matters and things referred to in the letters patent incorporating this Company.

"A true extract.

"C. DRINKWATER,
"Secretary."

I am glad to read this paper to the House at this time, because it will show conclusively that, so far as lay in the power of the Government, we have endeavored to carry out the suggestions which were made during the course of the debate in these respects. I hope that these resolutions, when they come to be more carefully considered than they can be by simply hearing them read, will be found to give, as they are intended to give, all railways, from both provinces, connecting with the Canadian Pacific Railway at Callendar Station, a footing of perfect equality.

Hon. Mr. SCOTT — I wish I could share in the congratulations offered to the House on the manifold advantages which the hon. gentleman thinks will result from the Company adopting the resolutions which he has just read. To my mind, they are illusory, and can amount to nothing. As to the first point, giving running powers to Callendar Station, it is perfectly useless. The whole of the conditions have been changed since the Canada Central Railway has abandoned its proposed Sault Ste Marie connection. It is perfectly well known to those acquainted with the topography and geography of that country that Callendar Station will be at the north-west point of Lake Nipissing. The proposed line of the Canada Central now, as an extension of the Canadian Pacific Railway, is northwesterly to Sturgeon River, which rather runs from the Sault than towards it. Instead of being an advantage, it would be a positive disadvantage for the railway system of Ontario to connect with the Canada Central at Callendar Station. Certainly no business will come eastward from Toronto over the Canada Central; certainly none will go westward from Toronto or the western portion of Ontario, either to the North-West of Canada or to the North-West of the United States, by that route, inasmuch as it would increase the distance very considerably. It would be very much better to go through the United States than go, practically, round Lake Nipissing. If the Canada Central were to be continued towards the Sault as originally intended, the privilege of using 65 miles of it would be a great advantage to other roads connected with it, but it is now intended that it shall be the outlet of the Canadian Pacific Railway, and, therefore, it could be no advantage whatever to any railway in Ontario to connect at Callendar Station. I pointed out, when the Pacific Railway Bill was under discussion in this House, that, if the Sault project was abandoned, necessarily Ontario interests would, by private enterprise, build a road which would connect their system with the Sault Ste. Marie, and, in doing that, they would keep west of Lake Nipissing. They would not think of going 40 or 50 miles out of their way to tap the Canadian Pacific Railway, which would not be available for ten years. I do not hesitate to say that it would increase their mileage distance 60 or 70 miles to come to Callendar Station and use the Canadian Pacific Railway for sixty-five miles. The line that must be built in the very near future will be one which will cross the French River at Cantin's Bay, or as near the mouth as they can. It will not approach the Canadian Pacific Railway, and that 65 miles would be of no advantage, because it would have to go a good many miles out of its way to use that section. It will follow the best route that can be found to Spanish river. We know that, in 1872, Mr. Murdoch surveyed a route from Spanish river to Sault St, Marie, the best yet found, and that route lies south of the Canadian Pacific Railway. Therefore, the Syndicate, in adopting that resolution, really gives no advantage whatever — not the slighest. The only advantage may be that, if the eastern interests think it worth while to secure the trade of the great North-West that will come by the Northern Pacific and *via* Lake Superior, they can build a line across from the Canada Central about twenty miles west of north-west of Lake Nipissing, making a junction with the extension from French River to the Sault, whatever the gap there would be, but that is the only advantage that could be derived from it. Practically, I consider the trade coming eastward from the Sault will go down to Toronto or Port Hope; it certainly will not come down the Ottawa valley, unless the Quebec system of railways think it worth while to build to that point. The Canada Central will not build it now, because its interests are allied with the Canadian Pacific Railway. Anyone who looks at the geography of the country will see that I am right in what I say, so that the Syndicate, in passing that resolution, did not pay us a very high compliment. They ought to have assumed that at least some members of the community knew very well that the privilege to run over 65 miles of railway in a direction they did not want to go was not a boon for which they ought to be very thankful. The Canadian Pacific Railway will not be completed for ten years, and it is not likely that the construction of the eastern section of the road, which is not to be the profitable one, will be pushed any faster than the contract requires, and it is idle for us to foreshadow or foresee that great changes may take place between now and ten years hence; therefore, it is less important to know what arrangements will be made with roads running to Callendar Station. The other I do look upon as important; I cannot conceive how the Ontario and Pacific Junction Railway, or some line that will occupy similar ground, can go to Callendar Station. The can have no object to go there — they can get no traffic there.

Hon. Sir ALEX. CAMPBELL — The hon. gentleman says that the concession made by the Canadian Pacific Railway Company is illusory, and argues it is so because he said the road to be constructed to the Sault will not pass over the Canadian Pacific Railway. At all events, they could not have done more than they have done if the use of the 65 miles of road should be required.

Hon. Mr. SCOTT — They profess to offer us something.

Hon. Sir. ALEX. CAMPBELL — My hon. friend does not propose that the line of the Canadian Pacific Railway should be altered in order to give conveniences to companies which might be organized in Toronto or elsewhere. If a company goes north, the powers can be used, and, therefore, there is nothing illusory about it. It is open to them to have this privilege. The hon. gentleman says no road in Ontario will go to Callendar Station. Here is a petition presented to this House yesterday or to-day, in which the Ontario and Pacific Junction Railway say: —

> "3. That very full surveys have been made between Gravenhurst and Lake Nipissing, and it is the intention of this Company to reach the eastern terminus of the Canadian Pacific Railway at the earliest possible date."

Hon. Mr. SCOTT — What is the date of that petition?

Hon. Sir ALEX. CAMPBELL — There is no date to it.

Hon. Mr. SCOTT — It is an old story.

Hon. Sir ALEX. CAMPBELL — No, it is a new story, because it points out the difficulties which have arisen to a Bill in the other House. It is a story which has originated out of circumstances which only occurred within the last week or fortnight, so it is a perfectly new story, and in it these people, represented by Mr. Edgar and Mr. Foy, state that it is their intention at the earliest possible date to reach the eastern terminus of the Canadian Pacific Railway. I presume they know their own business a little, although my hon. friend somewhat contemptuously says that the Canadian Pacific Railway Company might have given credit to members of this House of not being so childish as to imagine that anything was meant by this resolution. Apparently my hon. friend does not know, as well as this Company does, what their business is, and they intend to reach the eastern terminus of the Canadian Pacific Railway, and, I think, if they go there, this concession will be an advantage to them. If they do not go so far north, they will not use the 65 miles; if they do go so far north, there it is for them. I move, hon. gentlemen, that the Bill be referred to a Co of the whole House to-morrow.

Hon. Mr. REESOR — The hon. ex-Secretary of State is not altogether astray in what he has stated, nor is he entirely correct. He is quite correct, I think, so far as the interest of the Ottawa Valley is concerned, and he is quite correct in saying that the Ontario and Pacific Junction Railway Company do not propose to go to the Sault by Lake Nipissing. The point at which this Company propose to strike to the Sault now, since the Canadian Pacific Railway Company have got their charter, is at the south-east angle that is formed by drawing a line from Gravenhurst to the Sault, and another from the Sault to Callendar Station, and another line forming the base of the triangle from Callendar Station to Gravenhurst. Now, the proposition of this Company is to build their road with the view to making connections for the benefit of roads connecting with Hamilton, Toronto and points on the Grand Trunk Railway down as far as Cobourg and Peterborough, and probably Belleville. All these lines are interested in reaching the Sault by as short a route as possible. The shortest route they can get is by way of Gravenhurst to the Sault. Gravenhurst is something like a hundred miles south of Callendar Station, so that to come from Gravenhurst northward to Callendar Station, and then to turn at something sharper than a right angle to the Sault would be going a long distance out of the way to reach its destination. The object of this Company is to secure a short road to the Sault in order to secure trade for Toronto and Hamilton and other points on the Grand Trunk Railway, and it is not likely, as the hon. gentleman has stated, that the Canada Central will be extended to that point, because the Canada Central bears northward to Lake Nipissing, and that will be very properly the continuation for the main trunk line of the Pacific Railway running north of Lake Superior. I may state, further, that the only point that my hon. friend was mistaken in was where he said that the Ontario Junction Railway Company will not build to Callendar Station. I have no doubt that they will build to Callendar Station, but it will be a line independent of the line to the Sault. They will not build it for the purpose of going to the Sault. They will have a shorter route to that point, and will only build to Callendar Station to tap the trunk line of the Pacific Railway running north of Lake Superior. The Ontario and Pacific Junction will have no object in lengthening that branch of their line until the Canada Central line is likely to be completed to Callendar Station. As far as that is concerned, there is no object in completing their line to the Sault in that direction, unless they make an entirely independent line north of Lake Nipissing, and then have a line of their own to the Sault, which, for all we know, is not likely to take place for a number of years, if it ever takes place. My hon. friend stated the probability was that, instead of the Ontario & Pacific Junction Railway tapping the Canadian Pacific at Callendar Station, it will do so several miles west of Lake Nipissing. That is quite possible. They might prefer tapping the Canadian Pacific at a place even further west. My own opinion, however, is this: that they would prefer a line to Callendar Station, but it will not be built until that period arrives when they may fairly look for the completion of the Canadian Pacific. In the meantime this Company is asking power to extend their road to Gravenhurst and French River to the Sault. In that way they hope, in a very few years, to get a line that will tap the American traffic, and also catch the trade of Lake Superior that might come in from Duluth or Fort William, coming eastward. That, I have no doubt, will be accomplished, but the question as to the desirability or likelihood or tendency of the Ontario and Pacific Junction Railway acquiring or requiring, or proposing to use, sixty miles of the Canada Central Railway north of Lake Nipissing, is entirely unlikely. They will have no occasion to do so. It would be a waste of money and a waste of time to take that road when they can construct a line to the Sault that will save a hundred or a hundred and thirty miles in distance.

The motion was agreed to.

CANADA GUARANTEE COMPANY'S BILL.

THIRD READING.

Hon. Mr. FERRIER moved the third reading of Bill (36) "An Act further to amend the Act incorporating the Canada Guarantee Company, and to change the name of the said Company to the Guarantee Company of North America." He asked permission of the House to correct a clerical error in the Bill by striking out the words "or authorized" in the 5th section.

The amendment was allowed, and the Bill was read the third time and passed.

GOVERNMENT RAILWAY LAWS CONSOLIDATION BILL.

SECOND READING.

Hon. Sir ALEX. CAMPBELL moved the second reading of Bill (O.) "An Act to amend and consolidate the laws relating to Government Railways." He said: The Government is owner of railways running into different provinces of the Dominion, and the laws which govern the administration of the affairs of these railways are to be found in very many volumes, often the enactments of different legislatures, and it has been, on several occasions, found to be a matter of uncertainty and difficulty, and embarrassing to those who are administering the Government railways, to be obliged to consult a number of statutes, to be found in many different volumes, for the purpose of finding out what may be the law affecting some particular point or difficulty. The Bill which is under consideration has been introduced for the purpose of consolidating all the laws affecting Government railways, and placing them in one Act for the more convenient administration of such works, and so that the law may be clear, and may be found in one statute. There is very little that is new in this Bill. Hon. gentlemen will perceive marginal notes have been added to every clause showing the origin of the different sections; they are to be found in the margin of the copy which has been distributed, and where a section is new, the word "new" will be found. This word will be found in but few places, comparatively, but where it occurs I shall be glad to submit explanations to the House when in Committee. I do not think there is anything special that I need discuss on the second reading.

Hon. Mr. SCOTT — The Bill seems to be, as my hon. friend has observed, a consolidation of the laws at present in force, but there are some changes made in that law, and the marginal references have failed to disclose the fact that the proposed law is not similar to the law from which it is assumed to be gathered, and it is extremely desirable in a bill of this sort if we could have pointed out to us what the changes were. As an illustration, take clause 27, sub-sec. 3, where it proposes to refer all matters between the people and the Government in reference to claims for compensation arising from one cause or other, to the official arbitrators, rather than to the courts of law. At present it is open to parties, under certain circumstances, to apply to the court by petition of right where a personal injury has been sustained, for instance. In such cases as that it does not seem to me that the official arbitrators are a correct or proper tribunal to refer them to. It is a proper tribunal for hearing of questions in relation to the appropriation of lands for railways, or to ascertain damages as between contractors and the Government, but I do not think it is the proper tribunal to select in cases where nice points of law are involved. If the hon. gentleman would have that in view in considering the proposed changes, as I have not had a very good opportunity to thoroughly examine the Bill, he might ascertain from the Minister of Justice or his deputy whether, in framing the clause, he had in view that all cases of complaint against the Government should necessarily go to the official arbitrators, or whether cases that have heretofore gone into the courts shall still be referred to the courts.

Hon. Sir ALEX. CAMPBELL — There is nothing new in the clause which the hon. gentleman refers to. It is copied verbatim from 41 Vic., chap. 8, sec. 3. I do not think there is any new provision on the subject of arbitration. The statute referred to in the margin was an act passed in reference to public works, and, of course, railways are public works as well as canals are public works. In fact, all public works come within the purview of this Act. This is an instance of what we are endeavoring to do by this Bill—to group together in this one Act a number of the provisions found in different statutes as applied to Government railways. In that particular case that provision was almost by itself. Then, if the hon. gentleman will refer to the last clause of the Bill, he will find that the sections which contain new provisions are there pointed out and numbered. I shall, of course, be very glad, when the Bill goes to Committee, to make any explanations that may be necessary.

Hon. Mr. DICKEY — The new part of the Bill is not so unimportant as represented, because there are 24 new sections in it, and there is a section at the end to which I should like to call my hon. friend's attention. Section 131 contains a very sweeping provision. I have not had time to examine its bearings upon the other parts of the Bill, but it is to the effect that the 2nd and 4th sections of the Consolidated Railway Act, so far as they relate to Government railways, are repealed. The sections of that Act are very extensive. They apply sections 5 to 78, both inclusive, to the Intercolonial Railway. Both those clauses are proposed to be repealed by this 131st clause. What the bearing of this may be I cannot say at the present moment, but it has a very sweeping effect, striking some 75 sections out of the first Act.

Hon. Sir ALEX. CAMPBELL — My hon. friend will find them all repeated at page 7 of the printed Bill, section 9. The object is to put the whole of it together in one Bill.

Hon. Mr. HAYTHORNE — I should like to know if it is the intention of the Government to recognize in any part of this Bill the liability of the Government in case of injury to passengers through accidents resulting from the condition of the Government railways. The road may be out of repair, the rolling stock may be inefficient, and in such case the laches would be on the part of the Govment. Is it the intention of the Government to make themselves liable, in such cases, for injuries sustained by passengers?

Hon. Sir ALEX. CAMPBELL — It would be a question for the tribunals to which application might be made for redress. There is a clause here under which such claims can be referred to the Dominion arbitrators. There is no clause here increasing or diminishing the liability of the Government in any way.

The Bill was read the second time.

NATURALIZATION AND ALIENS BILL.

SECOND READING.

Hon. Sir ALEX. CAMPBELL moved the second reading of Bill (G) "An Act Respecting Naturalization and Aliens." He said: This Bill has been on the paper for some time, owing to the difficulty of preparing it, this difficulty being caused by correspondence between the Dominion and Imperial Governments, with reference to a point of very great interest to the German population, more particularly, of the Dominion, who found that their naturalization in Canada was not recognized in one very important respect when they returned to the land of their birth. That was as regards liability to military service. This created a good deal of anxiety on their part, and many efforts have been made from time to time to get the German Government to recognize the naturalization of German subjects in this country, in so far as to prevent their being called upon for military service if they return to Germany. Mainly through the instrumentality and exertions of His Excellency the Governor General (if I may be permitted to use his name) these objections have been removed, and the German Government will hereafter recognize letters of naturalization granted in Canada upon the terms which are mentioned in this Bill and form one of the clauses. Naturalization in the past in Canada, has followed upon a three years' residence, and this is preserved in this Bill. Persons will become naturalized for all purposes and rights in Canada, such as voting or being elected, after three years' residence. But, if they desire to return to the country of their birth, then they become naturalized only after such residence here as the laws of that country require, which, as regards Germany, is five years.

So that a German citizen, to acquire full naturalization as a British subject, not only here, but in the country of his birth, would require to live in Canada five years, but, for all purposes in this country, he will become naturalized in three years. The provisions of the Bill are for the most part the same as those that obtain in this country and in England. We consider it a matter of very great moment to follow the laws of England as far as we can with reference to a subject which we require, in order to give effectual force to our legislation, the co-operation and aegis of the Government of the Empire to completely carry it out, and, therefore, we desire, as far as possible, that our legislation should run with the legislation of the mother country upon this subject. Provisions will be found in the Bill for a variety of cases which happen from time to time, such as that of persons desiring to change their allegiance, but these are matters of small interest. The main features of the Bill are the clauses providing for the naturalization of foreigners in this country. I do not think I need now give further explanations of the Bill. All will agree on the principle of the measure, and I shall be glad to avail myself, as far as possible, of any suggestion which may be made in Committee.

Hon. Mr. ALMON — Does the law of Germany require five years' residence in the United States before naturalization of Germans in that country is recognized?

Hon. Sir ALEX. CAMPBELL — Yes; that I understand to be the law of Germany upon that point.

Hon. Mr. DICKEY — I have understood that the question has arisen in a practical form, and that native born Germans, after having become citizens of the United States, on their return to the land of their birth were there drafted for service. There have been cases of that kind, and I do not know how they have been settled, but it shows the necessity of legislation on the subject.

Hon. Mr. MILLER — I fully agree with the object intended to be attained by this Bill, but I did not understand from the hon. gentleman who has the Bill in charge how our legislation is to become operative, in Germany for instance. Is there any condition of the law in Germany which would render our legislation here operative upon the passage of this Bill?

Hon. Sir ALEX. CAMPBELL.— There has been a convention between the Emperor of Germany and Her Majesty.

Hon. Mr. MILLER — I know there has been such a convention with reference to subjects of Germany settling in Great Britain, and subjects of Great Britain settling in Germany, but I do not think the terms of that convention extend to the colonies of the Empire. What I would like to know is, whether there has been any alteration of the terms of the convention which would include foreigners settling in Canada and becoming naturalized under this law, and enable them to stand in the same relation to the laws of their native country (say Germany) as if they had settled in England?

Hon. Sir ALEX. CAMPBELL — Yes. That precise difficulty has been raised by the ambassador representing Great Britain in Berlin, and the convention which has been made will include Canadians and other colonists of the British Empire, who conform in the several colonies to the five years' residence, in compliance with the laws of Germany, and it is that which has been brought about.

Hon. Mr. MILLER — That is a recent arrangement, then?

Hon. Sir ALEX. CAMPBELL —Yes.

The Bill was read the second time.

TEMPERANCE ACT AMENDMENT BILL.

IN COMMITTEE.

The House went into Committee of the Whole on Bill (M.) "An Act to explain and further to amend the Canada Temperance Act, 1878, and the Act of 1879 amending the same."

Hon. Mr. VIDAL moved the adoption of the first clause.

Hon. Mr. DICKEY considered it somewhat singular legislation to alter the Act so as to allow of an election under it to take place on a nomination day. The principle on which that clause in the original Act was based was that elections under the Temperance Act should be, as far as possible, removed from all political complications. For that reason it was made general, so that it should not apply to any election day; now the desire seemed to be to confine it to polling days, and permit such elections to take place on nomination days, when as much political excitement might prevail as there would be on a polling day. He would like his hon. friend to explain why it was that he had altered his views on this subject.

Hon. Mr. VIDAL said the clause was not prepared by himself. The Bill emanated from the Minister of Justice, and he (Mr. Vidal) had not presumed to make any alteration in the document. He would remind the House that this part of the Bill was precisely, word for word, the same as it was in the Bill that had been introduced into the Senate last year by the Minister of Inland Revenue, and no such objection had been made to it as that now raised by the hon. gentleman from Amherst. Under the present system of conducting elections there was no excitement on nomination day, and the only intention of the clause was to avoid having two pollings on the same day for different objects. That was the intention of Parliament passing that clause; and it was to clear up any doubt on that point that this amendment was desired.

Hon. Mr. MILLER said he believed that he was responsible for the present condition of the law on that subject. It was he who had proposed the amendment to the Act introduced by his hon. friend from Ottawa, prohibiting the voting under this Act from taking place on the same day as a political election. It was his intention at that time, and he thought it was the intention of the Legislature, when adopting that amendment, that it should refer to polling day only, and not to nomination day. As the hon. gentleman from Sarnia had very correctly observed, nomination day, under the present law, was a very different thing from what it used to be under the old system. He was not disposed to take any exception to the Bill before the House.

Hon. Mr. VIDAL said the necessity for the clause arose from the fact that it had been held that an election commenced on nomination day.

Hon. Mr. REESOR considered that it only applied to political elections; according to his reading, municipal elections might be held at the same time as elections under this Act.

Hon. Mr. DICKEY said it applied also to local and municipal elections. He thought his hon. friend was rather unjust to the father of this Bill when he spoke of it as having emanated from the Minister of Justice. He (Mr. Dickey) always understood that it was known and spoken of as the Scott Act, and he gave his hon. friend the leader of the Opposition the credit of an Act which, up to this time, had borne his name rather than that of "The Temperance Act."

Hon. Hr. VIDAL said that he had referred to the section which they were now considering as having been drawn up by the Minister of Justice, and introduced into this House by a member of the Government at the time.

The clause was adopted.

Hon. Mr. VIDAL moved the adoption of the third clause.

Hon. Mr. DICKEY said that this third clause was still more surprising than the first one, because this Act was founded upon the presumption that, where licenses were granted in the various counties, the Act could only come into force on the expiry of those licenses. As to that part of the section which provides that the Act should only go into force after the expiry of the last license in the county, it might be all very proper, but he could not understand why his hon. friend had introduced a clause to make this law apply to counties where no licenses whatever had been issued, and where the sale of liquor was wholly illegal. That was the case in a great many counties in Nova Scotia, and it was really the reason why this Temperance Act had never been taken hold of at all in those counties. There were some places in New Brunswick, also, where no licenses were granted, land where there was no authority to sell liquor; yet the hon. gentleman wanted an amendment to this law to enable him to bring the Scott Act into force in those counties. In Nova Scotia they had a far more stringent law in reference to the sale of intoxicating liquors than even the Scott Act. The license laws were still in force in those counties, and would be unless this Legislature should undertake virtually to repeal them. At the same time, he was sorry to add that in many places they had just as much drinking as they had before the adoption of the Canada Temperance Act.

Hon. Mr. VIDAL wished to remind the hon. gentleman that this section had emanated from the same source as the previous one, and when it was introduced last session the necessity of it was fully explained. He had pointed out very distinctly that the wording of the Act of 1878 was such as to cast a doubt as to when the Act could be brought into force in a county where no licenses were in force, and in which it had been adopted because of the want of some fixed day on which licenses had to expire. It had been found that there were no licenses issued in one of the counties of New Brunswick which adopted the Act; and the difficulty at once occurred as to what time the second part of the Act should be brought into force and take effect in such county. This clause was to declare that, where no licences were issued, the Act should come into force ninety days after the proclamation issued. It also made provision for cases where the licenses were not issued, and, consequently, did not expire at a uniform date, as they do in Ontario. In provinces where the licenses were issued at irregular intervals, the Act would come into force only after the expiration of sixty days from the day on which the Order in Council issued, and not to be before the day on which every license issued before the petition was adopted by the electors will have expired.

Hon. Mr. MILLER said he understood very distinctly the object of this clause, and, if they were to have the Scott Act in operation at all, it was quite necessary to remove any doubt such as was said to exist in this respect. It did not exist in his mind, but, if it existed in the mind of a lawyer occupying the position of Minister of Justice, it was well that they should have some law to remove that doubt. The object, as he understood it, was to meet the case of those counties where no licenses were granted, and, although they had a very good license law in Nova Scotia if it were carried into execution and its provisions were put into operation, still in no part of that province was the law more neglected than in the counties he referred to. In those counties where the municipal authorities refuses to grant licenses, two or three clerks of licenses were appoined, and, as there was no salary attached to the office, they took very little trouble in executing the law. The consequence was that, instead of having respectable taverns (if his hon. friend from Sarnia could admit there could be such a thing) where liqnor was sold, and having them few in number, they had, scattered all over those counties, low, disreputable dens, selling a poisonous kind of liquor, and doing an infinite amount of mischief.

The clause was adopted.

On the 6th clause,

Hon. Mr. ODELL thought that this was an extraordinary section, and one that should receive very careful consideration before it was passed. A very stringent, and, in a great many of its provisions, an extraordinary Bill had passed, which had been in operation now for some little time, and it appeared to him that no difficulty had been discovered in carrying it into operation. But, if he read this section aright, it interfered completely with a great number of the clauses of the Temperance Act of 1878. By referring to the Act of 1878 it would be found that at the 4th section the heading was "Proceedings for bringing the second part of this Act into force," and these proceedings occupied from the 4th to the 96th section. Now, he desired to ascertain from the hon. member from Sarnia, who had charge of this Bill, why it was that these preliminaries were to be made merely directory, and that no Order in Council should be void or voidable on account of any irregularity or omission of any matter preliminary, so that the Temperance League might, by any means they chose to adopt, omit any portion of these preliminaries, and, by getting an Order in Council passed, bring the Act into operation, whether their omissions were wilful or accidental. H would like to ask his hon. friend why this same section was not made to apply to proceedings which should be made hereafter to repeal this Act.

Hon. Mr. VIDAL — It does.

Hon. Mr. ODELL maintained it did not, because it did not refer to the subsequent sections 97 and 98 for revocation. It merely applied to the preliminary proceedings for bringing the Act into operation, and not to the 97th and 98th sections, which provided for the repealing of the Act. There was nothing in the Bill now before the House to show that the amendments which are proposed in the 6th section, with regard to bringing the Act into operation, were to apply to any steps which should be taken with regard to repealing the Act, which were left compulsory. He hoped the hon. gentleman from Sarnia would be able to give a satisfactory explanation why this clause had been introduced, and why the proposed amendment was not made to apply to repealing as well to bringing the Act into force.

Hon. Mr. VIDAL could only reply to his hon. friend in the samé manner that he had already replied to the other objections: that this section was, word for word, the same as the one which came to this House, and was adopted, last session. It came from the office of the Minister of Justice, and he (Mr. Vidal) had had nothing to do with its construction. He would say, however, that he admitted the correctness of his hon. friend's criticism, and would have no objection whatever to insert the words that might be necessary to make it apply to the repeal as well as to the adoption of the law. As to the general principle, of course it had met the sanction of the Government, and had been introduced here on the suggestion of the Government. There might be, through mere accident or want of knowledge of the law, some trivial irregularity in the proceedings connected with the bringing of the law into operation, which might have no serious effect, but might leave those proceedings open to an action at law. The whole proceedings had to be taken to the satisfaction of the Government, and the hon. gentleman had, no doubt, full confidence in the Government that they would allow no injustice to be done, and that they would satisfy themselves as to the genuineness of the proceedings under the Act. He (Mr. Vidal) knew something of the trouble of getting the proclamation from the Government. While placing this discretionary power in the hands of the Government was a safe proceeding, it involved a great deal of trouble to the Temperance League. The Government had not shown the slightest partiality to the temperance people in their efforts to bring the law into force. He thought it would be exceedingly unwise to leave the question open to be brought into court upon some trifling informality having no bearing on the general question. He was quite willing, however, to introduce any words that might be necessary in order to meet the case of an attempt to repeal the Act.

Hon. Mr. MILLER thought that the hon. gentleman from Sarnia had stated the actual reason why this amendment to the law was desired. The argument raised by the hon. gentleman opposite (Mr Odell) was very plausible until it came to be examined. The fact was that the law enumerated certain preliminary steps which were to be taken before the Scott Act could be put into operation. These steps have to be submitted to the Governor in Council, who sits as a judicial authority as to the regularity of those proceedings, and, if everything is found to be regular, issues an Order in Council bringing the second part of the Act into force. No matter what Government is in power, clothed, as they are, in the discharge of that duty, with judicial functions, there could be no doubt that those functions would be exercised in the best interests of the country. He thought there was no necessity for this legislation, because there was no appeal from the decision of the Government. The Government being the final court to which this question could be referred, when they decide upon it it is quite proper that any trifling irregularity or defect should be amended, as it were, by the judgment. The amendment might be requisite to prevent actions being taken by powerful combinations to fight out the smallest irregularity in putting this law into operation, and keep it in the courts for years. There was a good deal of force in one remark of his hon. friend from New Brunswick: that the same rule should be made applicable to the proceedings to repeal the Act as is applied to the proceedings for putting it into operation, and he was glad to hear his hon. friend who had charge of the Bill express his willingness to accept an amendment in that direction.

Hon. Mr. AIKINS said that, although he had introduced this Bill last year, it was not as a Government Bill. He had found, as Secretary of State, that in carrying out the law there was a difficulty that the Bill was intended to obviate. He did not know how they were going to amend it. Last year he was perfectly satisfied with it, and he could not really see what the object of the amendment was. The clause simply meant that any action taken prior to the passing of the Order in Council was to be final. As the Secretary of State was clothed with judicial powers to decide whether the proceedings were regular or not, and to make the pronouncement his decision should be final as to whether there was any irregularity in the preliminary proceedings or not, and they should not go behind the Order in Council.

Hon. Mr. CORNWALL considered that the remarks of the three hon. gentlemen who had last spoken were clearly indicative of the mischievous character of this clause in the amending Bill. If clauses 5 and 6 of the Act of 1878 were sufficient in themselves to insure that the Secretary of State and the Governor in Council could not be deceived as to the genuineness of the petition, then, as a matter of course, this amendment was unnecessary. If the Secretary of State could make no mistake intentionally, the amendment should not be part of the Bill. If, on the other hand, clauses 5 and 6 were not sufficiently explicit or stringent to insure this absolute immunity on the part of the Secretary of State and Governor in Council from making any mistake, then it seemed to him to be most unwise to make an amendment such as this which would have the effect of putting the machinery of the law in motion on what might be thoroughly incorrect and insufficient grounds.

Hon. Mr. SCOTT said that the Act provided for all parties who desired to take exception to it at very many stages. It had to pass before two tribunals, and might have to pass before a third. Take the recent case from Hamilton; it was fully two months before the Government would admit that the preliminary steps were correctly taken. As to the voting, the same machinery was provided for the scrutiny of votes as was provided for the scrutiny of votes at an election for a member of Parliament. That would be found under clause 61, where the fullest machinery was provided for calling in question the legality of the votes and the correctness of the proceedings before the County Judge. Then it had to go again before the Minister of Justice, who advised the Government as to the correctness of the proceedings between the return of the papers and the final stages of the issuing of the Order in Council. Certainly, the most ample opportunity was afforded to persons desirous to take exception to the proposed law at any of these stages.

Hon. Mr. AIKINS—I will just say that exception has never been taken, up to the present time, that I am aware of.

Hon. Mr. SCOTT said he did not conceive that the amendment was at all necessary; still he agreed with the observations of his hon. friend from Richmond, that it was frequently desirous that a declaratory clause of this kind should be put into a bill, as it would remove all the irritating means by which a wealthy association who desired to thwart the law could do so, by keeping it before the courts for years.

Hon. Mr. ODELL said, if this clause was not considered necessary, it would be well to strike it out of the Bill entirely, but, with regard to the remarks of the hon. member who introduced it, he was sorry to find that he had no stronger argument to advance in support of it than, because such a measure was proposed and adopted by this House last session, therefore it should not be challenged now. What he (Mr. Odell) contended was it relieved the Temperance League and those connected with it from the responsibility of carefully attending to all the preliminaries required of them under the Act, and left it entirely in the hands of the Secretary of State to decide whether the preliminary proceedings had been properly taken. The Secretary of State might then recommend the Government to issue the proclamation for carrying the second part of the Act into operation, although some of the preliminary steps had not been attended to, and only just so many had been taken as he might happen, in his own judgment, to think necessary. For instance, with regard to the signatures to the petition, was the Secretary of State to be judge of their genuineness alone, or was he to have evidence before him ?

Hon. Mr. AIKINS — They all have to be certified to by affidavit or declaration.

Hon. Mr. ODELL — They have to be certified to under the law, but suppose they are not certified to under this Bill ?

Hon. Mr. SCOTT — Then the Secretary of State would not pass it.

Hon. Mr. ODELL contended that, when the Act was passed requiring those preliminaries to be attended to, there it should be left, and the responsibility should be left with the parties to see that the preliminaries were properly carried out. With regard to the other point, an amendment should be made ; the mover of the Bill had agreed to it, and he (Mr. Odell) would have no objection to let the clause stand over for the present.

Hon. Mr. MILLER said it was a misapprehension to suppose that the effect of this clause would be to dispense with the necessity of complying with all the provisions of the law. It would do nothing of the kind. The Secretary of State would be just as much bound, acting, as he does on those occasions, under the advice of the Minister of Justice, to obey the expressed provisions of the law on this question as a judge on the bench would be, and his decision would be final. You make a judge's decision final, but that does not supercede the necessity of complying with the law. As regards the other point which had been raised, he was not so sure how far the same principle might be applied to the abrogation of the law. It would be better to let the Bill stand over for further consideration.

Hon. Mr. VIDAL thought, on further reflection, that it would not be well to allow the amendment, because the revocation of the law was not like its adoption. In the latter case, every precaution is taken to guard against putting it in force unless it has the sanction of the electors. In revoking the law, there is no probability of anyone questioning the procedure.

Hon. Mr. DICKEY — The result is to make the bringing of the law into operation as easy as possible, and to make the repeal of it as difficult as possible.

Hon. Mr. VIDAL — It throws no obstacle whatever in the way.

Hon. Mr. SCOTT did not think many instances would occur in the history of this country where people, having lived under this law and enjoyed the manifold advantages resulting from its operation, would be disposed to ask for its repeal. He was quite prepared to accept the suggestion to allow the same machinery to prevail in both cases.

Hon. Mr. CORNWALL — The hon. gentleman from New Brunswick goes further than that.

Hon. Mr. ODELL — I am opposed to the whole section.

Hon. Mr. AIKINS said this clause was introduced with the intention of meeting certain difficulties which had arisen in carrying out the Act. In one county in New Brunswick no licenses were issued, and, hence, they had no date to start from. That was an irregularity. Another irregularity had occurred in the county of Lambton, the date for the polling having been fixed on what might be considered an election day. This clause was introduced to meet such cases, and to prevent litigation.

Hon. Mr. MONTGOMERY, from the Committee, reported that some progress had been made with the Bill, and asked leave to sit again to-morrow.

BAY OF QUINTE RAILWAY AND NAVIGATION BILL.

SECOND READING.

Hon. Mr. READ moved the second reading of Bill (40) "An Act to incorporate the Bay of Quinte Railway and Navigation Company."

The motion was agreed to, and the Bill was read the second time.

The Senate adjourned at 6 o'clock.

THE SENATE.

Tuesday, March 1st, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

A PROPOSED ADJOURNMENT.

MOTION WITHDRAWN.

Hon. Mr. GIBBS moved that when this House adjourns to-day it stand adjourned until Monday next.

After some discussion the motion was withdrawn.

CONSOLIDATED RAILWAY ACT AMENDMENT BILL.

IN COMMITTEE.

The House went into Committee of the Whole on Bill (N) "An Act to amend the Consolidated Railway Act 1879."

In the Committee, on the first clause,

Hon. Mr. SCOTT — I had intended yesterday addressing some observations to the House when this Bill was before us, on its second reading, but circumstances that it is unnecessary to refer to now prevented me from doing so. I, however, stated that at the next stage of the Bill I would take the opportunity of making some observations on the interpretation of the word "capital" that has been used in the Bill now on our table, and I may say that it would have afforded me much pleasure if I could have adopted the congratulatory tone in which the leader of the Government spoke on this subject. The marked attention that he received, and the note of approval, I may say, from a very considerable body of gentlemen in this Chamber indicated pretty clearly to my mind that they had not analyzed, to the extent I propose to do, the effect of the interpretation of this word "capital" placed in the Government Bill. I should have been extremely glad if I could have acquiesced in the belief that for the moment seemed to prevail in this House, that the Government had fulfilled their promises in defining what the word capital embraced. We have given the Syndicate most valuable franchises; they are obtaining enormous benefits that, in my judgment, might more properly have been reserved for the people of Canada, and, having secured their charter and obtained really what they desired, I felt it would be of importance in the future to our people, and, more particularly, to those who will inhabit the great North-West, if they and their interests could be preserved from the dire consequences which I am afraid will flow from the enormous powers given to the Syndicate in their charter, and not restrained in any way by the Government Bill, as was promised. Corporations, as we know, and as was said by Blackstone, have no souls to be saved, nor have they bodies on which we can inflict corporal punishment. They are, practically, beyond our reach. Corporations do in their corporate capacity what individual members of them would scorn to do. We have only to look abroad to see what the railway companies are now effecting, to come to that conclusion. Their principle seems to be, given a certain result, it is immaterial how that result is attained. No matter who is crushed, and what fraudulent means are necessary, the fiat having gone forth, they manage, in spite of the Legislature and the people to accomplish their ends. Therefore, we should be extremely careful to guard the interests of those whom we are supposed to be here for the purpose of protecting. To my mind the definition of the word "capital" is by no means satisfactory. I should have preferred leaving it in the shape in which it was in the clause of the original Bill, and for this reason: the debate in this Chamber and in the other branch of the Legislature was very conclusive that, in so far as the word "capital" was concerned, it was the impression and the firm belief that in the future, in fixing a dividend on the capital, the Company would be restricted, at all events, from declaring a dividend on the railway that we presented them with, and on the $25,000,000 in cash and 25,000,000 acres. In other words, it was pretty clearly interpreted, and beyond any question, that that was the meaning of the Act of Parliament. Many gentlemen, in their terror of the legislation which was being passed through both Houses, expressed an anxious desire that the Government would define this word "capital," in order that the Company might not in future declare a dividend on the money contributed by the people of this country. As hon. gentlemen are aware, the necessity for this word appearing at all arises from the fact that, under the law of Canada, railway companies were restricted in their dividends to a 15 per cent. basis on the amount contributed or invested in the enterprise. Very properly, I think; and, to that extent, the Government deserve credit for limiting the basis in this huge enterprise to 10 per cent. Even that figure, as we all know, is at least double the amount that can be obtained for very considerable sums of money that seek investment. We have the fact that American 4 per cents have for a very long time been at a premium, and that the policy of that country in the future is to endeavor to obtain loans at even a lower rate. Three per cents will be at a considerable discount, but they will not be paying in the future 4 per cent. for their money. I say, therefore, the basis on which the Company are entitled to declare dividends is at least double what capitalists can obtain for large sums of money seeking investment. I think, therefore, we should be exceedingly guarded that in drawing this dividend they should be debarred from drawing it on what might be called watered stock, or accounts fictitiously run up by construction companies. In making these remarks I am referring to the Company as a corporate body. We know the individuals at the head of it. Personally, I have for them the highest respect, but we speak not of the moment; the effect of our legislation will be felt more in the future than at the present. For many years to come the effect of this legislation will be a matter of comparative indifference to the people of this country. It is in the future that it will be felt, and in the future it is by no means certain that the gentlemen who are now at the head of the Pacific Railway Syndicate will be the moving spirits. In dealing with the corporation, therefore, we have got to apply just the same rules that we would apply to all corporations. In dealing with them we must be governed by the views that would guide us in considering the position of other corporations, and we can only speak of them in the light of our experience of what other corporations have done. The words in the Bill are: "The said word capital meant and means the paid-up stock and share capital of the company." On the face of the paper, and reading it with a view to its applicability to past incorporations or past railways, built on a fair and honest basis, no exception could be taken to the wording. And, presumably, on the face of it, without inquiry into the question which naturally presents itself as to what the privileges are which this Company possesses under its charter, one would be disposed to say that, under a fair and honest condition of things, the words "paid-up stock and share capital" might be proper.

Hon. Sir ALEX. CAMPBELL—I think it is "paid-up stock or share capital."

Hon. Mr. SCOTT—In the copy of the Bill which I have before me it is "and share capital." Now, the language that I should have been very glad to have seen inserted there, and which my hon. friend would probably tell me means precisely the same, would be the following which I have drawn:—

> "The net amount of cash or money's worth contributed by the shareholders of the Company and *bona fide* expended on the best terms attainable in the construction, equipment and maintenance of the railway."

My hon. friend shakes his head. I should like him to point out the fallacy of the basis which I have submitted as an interpretation of "share capital." I think the form which I have read embodies what ought to be construed as paid-up stock or share capital. The hon. gentleman does not mean to say that, if the Company choose to allot amongst themselves the balance of the $25,000,000, that is, $20,000,000, at 20 or 25 cents on the dollar, as they see fit, and represent it in the Company's books as part of the share capital, that the people of the North West should be taxed on that in the future.

Hon. Sir ALEX. CAMPBELL — No, that is not the effect of the clause.

Hon. Mr. SCOTT — The hon. gentleman's feelings of what is right, honorable and moral are shocked at the very proposition. I tell him that it can be done, and, moreover, speaking in no prophetic strain, I tell him that it will be done. If it should not be done it will be a departure from the line that other companies have followed under similar circumstances. I pointed out when the Pacific Railway Bill was before this House that there was an extraordinary clause in it with reference to the definition of the share capital of the Company. In clause 2, page 12, of schedule A of the Canadian Pacific Railway Act, I find the following: —

> "2. The capital stock of the Company shall be twenty-five million dollars, divided into shares of one hundred dollars each, which shares shall be transferable in such manner and upon such conditions as shall be provided by the by-laws of the Company; and such shares, or any part thereof, may be granted and issued as paid-up shares for value *bona fide* received by the Company, either in money *at par or at such price and upon such conditions as the board of directors may fix*; or as part of the consideration of any contract made by the Company."

Under that clause there is nothing whatever to prevent the directors, after they have contributed their $5,000,000, from alloting the remaining $20,000,000, among themselves or their friends at any figure they choose. The words are quite clear, I maintain, and my position is incontrovertible, if that language has any meaning it is this: that they can allot that capital at 50 cents or 25 cents on the dollar, or any other rate they please; that, once having alloted it, the public have no power to inquire how it has been alloted. Their share capital is what has been contributed, whether at ten cents on the dollar, or dollar for dollar, is not open to question, so far as their charter is concerned, as the directors have the power to fix the price upon which the share capital shall be allotted. I suppose they are not made of clay different from other mortals, and they will naturally desire to have the largest amount of capital on which a dividend can be declared. If, as in my judgment can be the case, that road can be constructed for five or ten millions of dollars in excess of the contributions of this Company, that would be a small amount on which a dividend could be declared, but, if it should be increased by ten or twelve millions of watered stock (for that is practically what it is if 100 cents on the dollar is not paid for that capital), they are getting double ten per cent. on the amount invested, and running up an amount of capital that will require a very large traffic, and very heavy dues on the people of the North-West, to enable them to reach even ten per cent. My whole point is this: that in defining that word capital, so far as the Canadian Pacific Railway is concerned, you ought, in justice to the people of this country, to have made it perfectly plain and clear that the amount on which they were to receive their ten per cent. was the amount that they or their shareholders had absolutely contributed in hard cash — not paper money, rag money, or entries in books. My position is incontrovertible, because no gentleman who reads the clause will say that I am straining the interpretation, or drawing inferences that the words will not fairly and entirely warrant — that the stock may be alloted on such terms as the board of directors may fix, not the rate in the open market, where the capitalists of the world could compete, but what the directors may choose to fix. Now, let us see what is the effect of giving them this extraordinary latitude with regard to increasing the capital stock; because, does any one allege that it will take a fourth or a half of that amount of money to build the road? That railway was estimated by Sandford Fleming, in his report of last year, to cost $80,000,000, and we give them more than $80,000,000. We give them over $30,000,000 in roads, $25,000,000 in cash, and 25,000,000 acres of land worth at the very least $1 per acre — $80,000,000 altogether. Does any one say that the Company requires a very large capital? And here I must express the amusement it afforded myself when my hon. friend spoke of this great Syndicate as a cosmopolitan affair — some members in Paris, others in London and New York, and a few in Canada, and that it was impossible, when this Bill was passing through Parliament, for the gentlemen who were promoting its passage, to consult with their friends abroad. It afforded me very great amusement, because the men at the bottom of it are those who have taken executive positions. We know that those who assume positions in a new company are the men at the back of it. We do not find English or French bankers on the executive board. The men who are managing it possess great financial ability, no doubt, but I do not consider that it requires such extraordinary skill to float and work a scheme of this kind that the people of Canada have invested with so many advantageous privileges — every possible advantage that could be conceded to a company. It was not necessary to go to London, Paris, Hamburg, or other money centres of the world. One or two men with experience, who knew something about the money markets of the world, could have handled this charter with all the advantages which Parliament gave the Syndicate. Those gentlemen who represented the Company here professed their inability to agree to any changes in this measure when it was passing through Parliament, because, forsooth, the great money interests to be affected by it were on the other side of the Atlantic! It certainly was very amusing, and no doubt a very good *ruse*. It may have had its effect with some; I trust it had not with all. Let us inquire what would be the effect of adding ten or twelve millions to the capital of this Company? I will illustrate in a small way. The State of Minnesota, in its comparatively undeveloped condition, exported last year 18,000,000 bushels of grain alone. It is to be hoped that, before ten years are over, our North-West will do at least that, possessing, as it does, an area of very much greater extent. That would be a very small proportion. Now, what would be the effect of 5 cents a bushel on 20,000,000 bushels of wheat, or its equivalent on through freights? It would be a matter of $1,000,000, the interest on $10,000,000 capital. That $1,000,000 would have to be paid by the people we invite to settle in the North-West. It is, therefore, of the highest importance that, in defining this word "capital," the Syndicate should be strictly limited to the money they contribute.

Hon. Mr. MACDONALD — That would be the amount of the working expenses?

Hon. Mr. SCOTT — I will come to that by-and-bye. I am now merely showing the effect of having a large capital account. I am showing that it enables the Company to charge a very much higher tariff. In confirmation of the view I expressed just now, that the amount of money that the Syndicate would place in this venture, I desire to take another view of it, based also on Mr. Fleming's estimate given in the official returns of last year. I will apply his figures to the 2,000 miles that the Syndicate are to build. As hon. gentlemen are aware, we build for them the Lake Superior section, which, no doubt, will be a paying line during the seven months of each year that it will be in operation. We present them, also, with the Pembina Branch, which is already a paying line; we build for them the expensive section between Kamloops and Port Moody. The Syndicate have to build the eastern section, 650 miles, estimated by Mr. Fleming to cost $31,000 per mile. That is a high estimate, because a considerable portion at this end is not so difficult as at the other end. That would be $21,000,000. The cost of the 1,000 miles from Winnipeg to Jaspar is estimated by Mr. Fleming at $13,000 per mile, or $13,000,000. From Jaspar to Kamloops, a difficult section, the cost is estimated at $43,660 per mile, or $15,500,000, which would make an aggregate of $50,360,000 for the Syndicate's portion, and that includes a light equipment; but add, for the equipment over the portions built by the Government, $2,500,000, and we have a total of $52,860,000. The Syndicate get $25,000,000 cash, leaving a balance of $27,860,000 against the 25,000,000 acres of land. Now, I think these figures require no comment. No hon. gentleman will be prepared to say that these lands will not realize $27,000,000, and leave a very wide margin in addition. We know that one railway (and, I think, a second) is now being constructed in Manitoba on a land basis — a grant from the Government of three thousand odd acres per mile, for which they pay $1 per acre — and they are floating a sum, secured on their lands, considerably in excess of $5 an acre. I think, therefore, that it is not going too far to say that the 25,000,000 acres will yield more than the $27,000,000. If that road is honestly built — of course, I use the term "honest" in its wide sense as appplied to railway corporations — on a business, cash basis, I unhesitatingly come to the conclusion that there would be really no money outlay — that the $5,000,000 first contributed would be more than sufficient, and that there would be a margin left, and, therefore, the first profits of the Syndicate would practically come out of the lands, leaving really no capital account as chargeable under the clauses of the Railway Act. Does any hon. member believe that they can, in addition to what we give them, spend $10,000,000 fairly and on a *bona fide* basis? I doubt it very much, indeed. Certainly, if their land is worth anything like what it is reputed to be, and what other local companies consider it to be, they could not possibly require $10,000,000. But, if they could have been restricted in the declaration of dividends to the money that they actually invested in the enterprise, then, as I said before, with the fixing of tariff rates on that basis, I should have withdrawn, to a very great degree, the opposition that I first entertained to the charter, and I so stated when the Bill was under discussion in this House, I considered that point of such great importance. After giving this Syndicate the many advantages we did, there were two points upon which I thought we ought to have reserved a discretionary and controlling power to ourselves — the fixing of rates and preventing any thing like discrimination of rates, and in defining what was the capital stock of the Company. I look upon these as the two most important points in the whole charter. Of course, we have given them very much more than they should have received, or than was necessary, or than what others would have done the work for; but, their charter having been once granted them, the next important thing for the people of this country was to prevent discrimination in rates, and to provide that no dividends should be declared by the Company on what might be called watered capital. We know that watered stock is with railroad companies the order of the day. It is but a short time since the elevated railways of New York were constructed, and already their stock has been watered to the extent of $13,000,000. We know that Vanderbilt, in manipulating the New York Central, has watered the stock to the extent of over $50,000,000. We also know, with regard to the Erie Railway, that a similar fact exists, to the great detriment of the English stockholders. More than $60,000,000 has been improperly introduced into their share capital. With a knowledge of what railway companies are doing all around us, it was the duty of the Government to prevent an oppressive tax being imposed upon the people of the North-West. They should, at least, have limited the dividends of the Company to 10 per cent. on the fair cash capital of the Syndicate, and I think the definition which I have myself suggested, is one that would, at all events, meet the approval of any honest company. Instead of paid up stock and share capital, in this case they have no stock; it is share capital, and by this clause you allow them to allot it at any rate they choose. I think the definition of the word "capital" which I propose would be in harmony with the views of Parliament, as expressed by gentlemen on both sides who at all adverted to this branch of the subject, as to what return the Syndicate should derive from their capital. The words which I suggest would prevent this Company from doing as other companies have done — incorporating some of themselves or their friends under the name of a construction company, and in that way building the road at a price three or four times in excess of the cost on a cash basis. I had occasion the other day to quote from returns submitted to Congress recently by the auditor who had charge of the accounts of the several railways of the United States receiving land grants. He was called upon to estimate the amount that those railways had cost, and to furnish an estimate of the sum they could have been built for, taking the cost of similar roads adjacent to them. He reported that the Union Pacific Railway had cost $93,000 a mile, whereas it could have been built for less than $25,600; the Northern Pacific had cost $35,813, and might have been built for $28,000; the Atlantic & Pacific had cost over $80,000, and could have been built, on a cash basis, for $20,000. The Southern Pacific cost over $91,000 per mile, and should have cost only $25,000. The Texas Pacific cost over $61,000 a mile, and could have been built, so far as at present constructed, at the rate of $20,000. These railways deliberately, in order to swell up their capital and make money for the directors or shareholders, or the ring that happened to be interested, exaggerated the cost of their several lines. Now, the same course may be taken in the building of the Canadian Pacific Railway. I do not allege that it will be done. It would be improper for me to throw out any personal insinuation, but we are dealing with a Company that, no doubt, will ere long have new blood incorporated in it. Personal changes in the body corporate will take place; but we know that the same spirit animates all companies. People will do under a corporate name what they would not like to do as individuals. Assuming that their cash capital was ten millions of dollars, which, in my judgment, is an amount in excess of the capital they will require, it would not take a very large sum to be earned to return ten per cent. dividend on that amount. I have calculated that a gross earning of $2,500,000, allowing sixty per cent. out of that for running expenses, would pay a dividend of ten per cent. on the ten millions invested. Hon. gentlemen will see how small a cash capital is really necessary for the Canadian Pacific Railway, if it is going to be a success at all. We have gathered a large amount of information on the capacity of the Northwest in the last five years, and we have the experience of the Western States as to what the effect of a large influx of people into that territory will be. If it is to become anything, it will be as the future food producing territory in Canada, just as Wisconsin, Illinois, Iowa, Minnesota and Dakota, have become the great food producing territory of the United States. These foods will have to be carried, some of them, nearly two thousand miles to tide water. We all know that that involves, under the most favorable circumstances, very heavy freights to the railway companies. This railway Company whose charter we are now discussing will have the carriage of that probably one thousand miles, and, therefore, it is of the utmost importance that the people of that country should not be over-taxed; that the capital account should be kept down, and that we should not allow any fictitious capital to be added to what is required legitimately for the construction of the railway. In less than fifteen years the exports from that country might reasonably be put down at twenty millions of bushels. It may not be in bushels of grain, but it may be its equivalent in cattle or other traffic. I, myself, have great faith in the territory in the vicinity of the Rocky Mountains as being the very best suited for cattle raising. Cattle can be wintered there much more successfully than they can be in Montana and Idaho. This winter has been a test one, and it will be a matter of very great importance to all who take an interest in that subject to learn what will be the result as compared with Kansas and the Western territories of the United States. The loss of cattle in Kansas and other territories of the Western States this winter has been very considerable, but we have not, as yet, any reliable information as to the success of the small herds that are now being wintered in the district between Fort McLeod and Fort Calgarry. I believe that our herds in that part of the North-West will have suffered less from the effects of the severe winter than the herds on the other side of the line. This is, of course, a diversion, but it occurred to me as a most important item in connection with the export trade from that country, and one that will afford traffic for the railway at a much earlier period than a few years ago we were led to believe. A few individuals having large herds of cattle will furnish a vast amount of traffic for the railway. The herds on the other side of the line are numbered up from ten to twenty thousand head, and there is nothing to prevent Canadians from having equally large herds within the Canadian domain. That, in itself, will be a very considerable item of freight from that country towards the tide-water of the Atlantic, so that it is no very exaggerated amount to fix the export traffic of the railway ten years hence at equal to 20,000,000 bushels. This, at 15 cents per bushel, which is a very low rate compared with what is charged by railway companies on the other side of the line, will yield $3,000,000.

Hon. Mr. AIKINS — Take it at 20 cents, and it would be $4,000,000.

Hon. Mr. SCOTT — I have named 15 cents because it is a much lower rate than is charged on the other side of the line. My hon. friend behind me might probably inform the House what it cost last fall to send a bushel of wheat from Minneapolis to New York; I think it was in the neighborhood of 20 cents. Now, in connection with that, I suppose hon. gentlemen are aware that we have on our statute book, in the Consolidated Railway Act, the following clause: —

> "6. All or any of the tolls may, by any by-law, be reduced and again raised as often as deemed necessary for the interest of the undertaking; but the same tolls shall be payable at the same time and under the same circumstances upon all goods and by all persons, so that no undue advantage, privilege or monopoly may be afforded to any person or class of persons by any by-laws relating to the tolls."

This is a clause that is in the statute book of this country, and similar provisions exist in the law of the United States — in other words, that common carriers, such as railways, shall treat all persons who deal with them on the same basis, that perference rates shall not be permitted, that one man shall not be charged one rate and another, under similar circumstances, charged a different rate, but is it observed? It is not. Our experience tells us that this statute is violated every day, that public attention is being constantly drawn to it, and that legislatures are practically powerless in dealing with those huge monopolies in the United States. In granting the extraordinary powers we are giving to the Canadian Pacific Railway Company, I think we should at the same time so frame our law that discrimination of rates would be impossible. While on this subject, if I caught the meaning of the resolutions which the leader of the Government read yesterday as emanating from the Board of Directors of the Syndicate at Montreal, I understood that they reserve to themselves the right to discriminate on the freights of purchasers of their lands.

Hon. Sir ALEX. CAMPBELL — No, it was in the other direction: that it should not interfere with the cheap transport of emigrants who purchase lands.

Hon. Mr. SCOTT — There is a reservation as to special rates for the purchasers of Syndicate lands.

Hon. Sir ALEX. CAMPBELL — It is a reservation in the other sense—of making better terms for them.

Hon. Mr. SCOTT — I will just read the clause. I thought it read strangely:

> "This agreement to be subject to the conditions as to special rates for the purchasers of land, or for emigrants, or intending emigrants, which are contained in the 24th section of the charter of this Company."

Now, I speak subject to correction, and my hon. friend can inform me: in his reading it over yesterday, it struck me that these words: "This agreement to be subject to the conditions as to special rates for the purchasers of land" could only allude to purchasers of Syndicate lands. If the Syndicate, at this early stage, propose to discriminate against the purchasers of Crown lands, and if a man who happens to settle on a Syndicate lot is to have his grain carried to market at a lower rate than the man who has settled on a lot of the Government of Canada, it is likely that we may have an early rebellion in that country. They reserve to themselves the right to make preference terms with the purchasers of land. That can only mean Syndicate lands, and, if the settlers on Syndicate lands are to have more favororable rates than those who settle on Crown lands, then, I think, the people in the North-West will be very apt to take the remedy into their own hands. We know that practice has largely prevailed on the other side of the line. The hon.

gentleman smiles, but we know it is done every day in the United States.

Hon. Sir ALEX. CAMPBELL — I am smilng at this: a very short time ago we were told by my hon. friend that the Company were getting too much land, that they would not sell it to settlers, and that settlement would not go on; now we are told that too favorable terms are being made for the settlers who will settle on Syndicate lands. There is nothing said in the resolution about settlers on Syndicate lands.

Hon. Mr. SCOTT — Will the hon. gentleman undertake to say that the Syndicate, in framing their rules as to rates, are proposing rates for settlers on Government lands? The clause in the contract to which they refer in the resolution has reference only to the Ontario and Pacific Junction Railway and the Canada Central Railway.

Hon. Sir ALEX. CAMPBELL — Not to Syndicate lands only, but to lands generally.

Hon. Mr. SCOTT — That portion of the clause has reference only to those two railways. They reserve to themselves the right to make special rates for purchasers of Syndicate lands, and this agreement is predicated on that basis: "This agreement to be subject to the conditions as to special rates for the purchasers of land." It can only be purchasers of Syndicate land.

Hon. Sir ALEX. CAMPBELL — Any lands.

Hon. Mr. SCOTT — I do not agree with my hon. friend, if he will excuse me for saying so, that they propose to fix a rate for purchasers of Crown lands. If the rate was to be for everybody in the North-West, it would not be a special rate; it is special to the parties who get the benefit of it, otherwise it is a general rate. That is the meaning I take from it. The railways across the border do just the same thing — they have special rates for the favored few, apart from the general public. This subject has created a good deal of discussion on the other side of the line. I will just read a few lines from an article by H. D. Lloyd, in the March number of the *Atlantic Monthly*, in reference to what is being done on the Northern Pacific Railway and the St. Paul and Sault City road: —

> "The Northern Pacific, which has been built by grants of land from the people, and which is now an applicant before the people's congress for the extension of its land grant, gives special rates to the Dalrymples, the Casses, the Grandins, with their 30,000 and 40,000 acre farms, and charges the poor farmers full rates. The St. Paul and Sioux City Railroad furnishes the large farmers along its route with rates one-half those charged the small farmers. Who are the large farmers? President Drake, of the road; General Bishop, its manager; President George T. Siney, of the Metropolitan Bank of New York; Mr. Orr, a partner of the great house of David Dows & Co., of New York; Goldschmidt, the rich German banker, of Frankford-on-the-Main, and every director of the road. The investments of these men average a return of 20 per cent. the first year, and 55 per cent. the second year."

Who are the large farmers? They are the stockholders of the road and their friends, who make a profit of 55 per cent. out of their large farms after the second year, because they get their grain carried practically for nothing, while the small farmer, or the individual who has no influence, has to pay full rates. In that way, the parties interested in the road get enormous returns out of their investments.

Hon. Mr. McLELAN — They have been doing the same thing on the Government roads for years — giving the large producer special rates.

Hon. Mr. SCOTT — As between the same points?

Hon. Mr. McLELAN — As between the same points; they have been getting much greater reduction in rates, in proportion to their traffic, than this.

Hon. Mr. REESOR — Two wrongs do not make a right.

Hon. Mr. McLELAN — It is less expensive, proportionately, to move a large amount of freight to a given point, than to move small quantities.

Hon. Mr. SCOTT — To charge one hundred per cent., or fifty per cent., or twenty-five per cent., more to one customer than to another is certainly excessive, and is contrary to the spirit and working of the Act of Parliament. I should like the hon. gentleman to point out some instance where it is done on the Intercolonial Railway.

Hon. Mr. McLELAN — The Iron and Steel Company, of Londonderry, have rates a great deal lower than the ordinary traffic — two hundred per cent.

Hon. Mr. SCOTT — I would fail to be convinced, until I saw the figures, that anything so monstrous as that could occur on one of our Government railways. Certainly, that is, in my judgment, the basis on which we are going to have the contest in the future — the right of the railway companies to charge just such tariffs as they please, and to discriminate in favor of or against individuals as they please. Why, it would be perfectly monstrous that a railway Company could arbitrarily dictate its rates to an individual with whom they are dealing. No man would be safe according to that practice, no industry could live except by their favor. They could enrich one man and impoverish another, by making rates less to one than to the other. That is being done in the United States just now by the Standard Oil Company, and the attention of the people of the United States has been called for some time past to this gigantic evil. Under a monopoly of that kind, a common carrier can, as I said before, drive one firm into bankruptcy, while, at the same time, it is enriching those who are working hand in hand with it. That is the effect of monopoly; the railway company work with those who share their profits with them. They carry the goods of a manufacturer at a great deal lower rate than their ordinary tariff, and the manufacturer shares his profits with the Company. Under this system, you destroy an honest business basis, and it is utterly impossible that a fair industry can exist in any country if a common carrier is to be allowed to discriminate between individuals.

Hon. Mr. McLELAN — It is done on all railways.

Hon. Mr. SCOTT — I say it is indefensible; and, whether it is done in the case of the Intercolonial Railway or not, I am quite sure, if the facts were brought to light, and if the discrimination is in the gross manner the hon. gentleman leads us to believe, Parliament would not be slow to express its condemnation of such gross favoritism. I say it is the battle ground upon which the rights of the people of this continent are to be fought, as the grangers and small producers are now doing in the United States. We know that, very recently, a company or association has been formed in the United States for the very purpose of fighting this monopoly. It has grown to such gigantic proportions in that country that it has to be put down, or ultimately it will put down the people. Either the people have to rule or the monopolies will rule. The monopolies profess to be able to control Congress. My hon. friend smiles, but, if I were to read him some of the facts that have come to light in connection with this subject, perhaps it would astonish him. I will take a few instances that will show the effect produced by railway companies raising their rates arbitrarily upon the business industries of the whole community. Judge Black, in speaking the other day at Cooper Institute, stated that the advance of five cents per hundred pounds on the crop of 1873 was a gain to the railways that moved it of $53,000,000; and, if applied to the crop of 1880, it would be equal to $73,000,000. It is calculated that the grain traffic was only one-third of the whole traffic of the railways alluded to, and if you multiply that by three it will give, at 15 cents per hundred pounds, the enormous sum of $219,000,000, that the railway companies, those giant monopolies, have collected from the producers. They undertake to say what the producer shall receive for his labor, and what the consumer shall pay for the grain and food they tax. By the slight imposition of 15 cents increase over what would be a just and fair rate, no less than $219,000,000 was extracted from the people out of the through traffic of that year, and it is said by experts that the 15 cents was in excess of what the just and fair rate would be. I mention this as an illustration of what will probably be done in the order of things in our own North-West, unless we intervene to prevent it by guarding the interests of the people by more stringent provisions and clauses than exist in the general law or the charter of the Syndicate.

Hon. Mr. McLELAN — Does the hon. gentleman prove that that $219,-

000,000 has been charged over and above what was a fair rate?

Hon. Mr. SCOTT — I refer my hon. friend to Judge Black's address, where it is alleged to be in excess of the fair rate.

Hon. Mr. McLELAN — I do not see that he proves it, nor do I see that the returns of any of the railways show it.

Hon. Mr. SCOTT — Hon. gentlemen know very well that the railway returns will not show it. Another illustration of the effect of monopolies in the neighboring country is the Standard Oil Company. That Company went into existence during the war. It was started by two gentlemen named Samuel Andrews and John Rockefeller, and it has grown to be, in conjunction with the railways with which it operates, a huge monopoly in that country. It not only fixes the price that the consumer shall pay for his oil in every city in the United States, but it declares what price shall be paid for petroleum at the oil wells. It swept out of existence all other companies. It has drawn its check for $1,000,000 to suppress a rival. It buys 30,000 to 60,000 barrels of crude oil a day, at a price fixed by itself, and makes special contracts with the railroads for the transportation of 13,000,000 to 14,000,000 barrels of oil a year. The four quarters of the globe are partitioned among the members of the Standard combinations. The Standard Oil Company produces only one-fiftieth or sixtieth of the petroleum of the United States, and dictates the price of all, and refines nine-tenths. No other Company can live under the competition of the Standard, and all this could only have been accomplished through the co-operation of the railways — through this system of preferential rates that the hon. gentleman has adverted to, and which, to his mind, for the moment, seems to be a fair and reasonable one. The Standard effected secret arrangements with the Pennsylvania, the New York Central, the Erie, and Baltimore and Ohio — the three great lines that run into the oil regions, and all the railways tributary to it, and in that way it has secured the absolute control of the whole trade of the United States. Mr. Lloyd in an article in the *Atlantic Monthly*, makes the following statement in reference to this large monopoly: —

"To-day, in every part of the United States, people who burn kerosene are paying the Standard Oil Company a tax on every gallon amounting to several times its original cost to that concern. The average price of crude oil at the wells or at Cleveland, as the railroads carry the crude free to the Standard's refineries, was in December last about three cents a gallon. The price of refined at Cleveland was 17 cents a gallon. Oil that the Standard sells in New York, at a profit, at 10½ cents a gallon, they charge 19¾ cents for in Chicago.

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A family that uses a gallon of kerosene a day pays a yearly tribute to the Standard of $32, the income from $800 in the four per cents. In Pennsylvania, the tax levied by the Standard, above all expenses and legitimate profits, is calculated by an expert at 14 cents a gallon. This makes a yearly tax on the light in most general use in that State of $2,555,000. The whole country consumed last year, at a low estimate, 220,000,000 gallons of kerosene. Putting the Standard tax, to avoid all possibility of exaggeration, down to five cents a gallon, we have a levy on the whole country of $11,000,000 besides the millions taken from the railroads in rebates. These, according to the sworn evidence of the officers of the railroads and the known figures of shipments, amounted in 1878 to $6,960,840, and, in the period between October 17th, 1877, and March 31st, 1879, to $10,151,218. These figures make reasonable the current estimate that the Standard paid dividends of $1,000,000 a month. It can do this and have millions left to pay the rents of refineries it has leased and keeps idle, its backsheesh to railroad men, the bribes it had to give judges, State legislatures, and State inspectors, and its salaries of hundreds of thousand dollars a month to men whom it has turned out of the business, and who are acting as its paid agents.

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"In less than the ordinary space of a lifetime, our railroads have brought upon us the worst labor disturbance, the greatest of monopolies, and the most formidable combination of money and brains that ever overshadowed a State. The time has come to face the fact that the forces of capital and industry have outgrown the forces of our Government. The corporation and the trades union have forgotten that they are the creatures of the State. Our strong men are engaged in a headlong fight for fortune, power, precedence, success. Americans as they are, they ride over the people like Juggernaut to gain their ends. The moralists have preached to them since the world began, and have failed. The common people, the nation, must take them in hand. The people can be successful only when they are right. When monopolies succeed, the people fail; when a rich criminal escapes justice, the people are punished; when a legislature is bribed, the people are cheated."

Yet, in the face of all this, hon. gentlemen will say it is possible that a rebate may be fair, and that preference rates should be given to large producers. It will be seen that, in the short period of seventeen months, the rebates by these railway companies to the Standard amounted to the enormous sum of $10,000,000. Hon. gentlemen will see how utterly impossible it was for any other oil concern to live under such unfair discrimination. The Standard has practically starved out all its competitors; millions and millions were put into competition with it, but it swamped them all. The secret of its power was that it had a contract with the railway companies to carry its oil at a rate that no other oil company could obtain, and it is only by a revolution, or by some extraordinary powers emanating from Congress, that the evil effects of this gigantic monopoly can be checked. The Standard Oil Company, on a nominal capital of $3,000,000, have paid a dividend on that three millions of a million dollars a month. It has been proved that the Pennsylvania Railway, by its contract with the Standard Oil Company, lost in one year alone seven millions of dollars to its shareholders. The directors manipulate those corporations for their own benefit. They may not get it out of the railway, but they get it out of the side enterprises with which they are in partnership. I mention these facts because it is important that we should understand to what those monopolies aspire, and what they can accomplish when they are allowed the latitude that the legislation of this country and of the United States appears to have given them, without carefully guarded provisions to protect the rights of the people. The Standard Oil Company own the pipe lines; the pipe lines are chartered as common carriers, like railways, but they decline to carry for any other company. A man has a short line of his own which he connects with the main line, but the main line declines to forward his oil for him. There is only one escape, and that is to sell it to the Standard Oil Company, and the Standard buys it at its own price. The Standard has secured control of all the tank cars east of the Mississippi, and, therefore, no other concern in that huge business — a business that last year, in the United States, amounted to $50,000,000 in the export trade alone — can fix a price for petroleum; not only are the prices fixed, but the amounts to be sold of that important article are controlled by this gigantic monopoly — controlled by it through the medium of the railways. Without the co-operation of the railway companies, it was not possible for such a monopoly to exist. The directors of the railway companies obviously get compensating advantages from the oil company, and the shareholders who are behind them see their property manipulated in the interest of the few. it is just an illustration of the laws that are passed, day by day, which make the rich richer and the poor poorer. The moneys of the world are constantly running into narrower channels, and individual fortunes are amounting to fabulous sums. The fortunes that have been made in the United States within the last few years are fabulous. There are men whose annual income is from ten to fifteen millions, acquired in a few years; but it cannot be done honestly, it can only be effected by what is called swindling, and this swindling could not be carried out successfully only through the instrumentality of the railways that control the country. Therefore, in railway legislation, we ought to be most guarded and particular to prevent our people from being burdened with monopolies by the magnates who obtain these extraordinary advantages. The practice and policy of the Standard Oil Company have their imitators in Canada. It is a matter of fact that there is a Company to-day seeking to attain in the Canadian oil trade the same position as the Standard Company in American oil. The Imperial Oil Company of Canada is the one to which I advert. I am told, on good authority, and shall be glad to have it contradicted if it is not correct, that the Imperial Company is adopting exactly the *role* of the Standard; that the Grand Trunk Railway Company carries the oil of the Imperial for a very considerably less amount than the oil of any other company. Take, for instance, the transportation of oil from Petrolia to Ottawa. The Grand Trunk Railway rate of freight from London or Petrolia to Prescott is

$75, and I am told on the very best authority that the Imperial Company have a rebate on that of $36. What possibility is there that any other company can survive when there is a rebate equivalent to two or three cents a gallon to this favored Company. Is it not an illustration of the way a railway company can build up one enterprise or bankrupt another? To-day four cars of oil arrived in this city. These cars, to reach Ottawa, had to come *via* the Canada Southern to the Suspension Bridge; they had to cross there, and run over railways in the United States to Ogdensburg, cross the St. Lawrence River to Prescott, and run into Ottawa. It is time there was an independent railway from here to Toronto, when Canadian people who have paid tribute to the Grand Trunk Railway in the shape of subsidies, and when the Grand Trunk Railway can either enrich or bankrupt the industries of this country. It is time that practices such as those should be impossible under our laws. In the case to which I have referred, the Grand Trunk Railway Company were unwilling to haul the cars for the Petrolia Oil Company at all, and would only haul them at $75 per car. The Company had to send them through the United States in the way I have described, and yet the freight, including the $12 from Prescott to Ottawa, was only $65, so that the Petrolia Company made a considerable saving in dealing with five distinct companies rather than deal with the Grand Trunk. Now, I think no further illustration is required of the point I am endeavoring to impress upon this House and the people of this country, that in granting charters to railway companies we should, in language plain and easily understood, make it impossible for the companies to take the advantage of the public that they are now endeavoring to do. Individuals are powerless to fight those large corporations. It is impossible that they can go into court with them. It is a long and tedious process, and costs money. The Company can fight them from court to court, and individuals must give up the contest in despair, and go out of business. A man crushed out in that way by a railway company put up on his sign, "Bankrupt by order of — railway" which had discriminated, against him. The history of the Standard is strewn with instances of that kind. Innumerable companies have gone under in that way, losing millions of dollars, because the Standard Company, through the instrumentality of the railways of the United States, have been able to crush out individual enterprise. Here, in Canada, are we going to tolerate a concern that is seeking to follow in the footsteps of the Standard? I think not. I think it is time that the attention of the people of this country was called to so gross and so glaring a case. Here in the city of Ottawa, the Imperial Company can, necessarily, undersell the Petrolia Company by at least two or three cents a gallon. Of course, we know the public will buy where the article is sold cheapest. It means crushing out the rival, and, when the rival is crushed, it means raising the price on the consumer. The price is whatever the people are capable of paying, just as this railway may regulate its charges in the North-West. It is not what a man has earned by the sweat of his brow that is to make him wealthy, but what the railway company will allow him to receive for what he sends to market. They fix the price, they arbitrarily arrange it, and, if you allow the syndidate to fix their capital at $25,000,000, it will require a very large amount of revenue from that country to justify the Government in reducing the tolls, even if the business is conducted on an honest basis. Whereas, if they are restricted to what ought to be a reasonable and fair and just basis of capital, the amount that they *bona fide* put into the concern, then it would require relatively much smaller receipts and involve relatively much lower rates. This concern will be, in the future, probably the largest on this continent, looking forward some twenty-five or thirty years. It is probable that on this continent there will be no other railway line with a continuous system of three thousand miles. In proportion to its greatness, so will be its influence. In proportion to its vastness and extent, so will, naturally, in the future, be its volume of trade, and so will be its opportunity for exercising this discrimination as to rates. I am perfectly confident that a people's Parliament elected hereafter will appreciate in its true spirit the interpretation of that word "capital," and, therefore, it does not, perhaps, affect the question so much at this moment what we will say or do about it. If this Company, in the future, by the manifest swelling up of a fictitious capital, either through construction companies or through parting with its capital for less that 100 cents on the dollar, will charge excessive rates, the people's Parliament will put it right. Anything so gross will not be tolerated in this country. But, when you find that such abuses are allowed to exist already, and it is considered right and proper for the Grand Trunk Railway to drive a Canadian company to seek an avenue through the United States to reach Canadian markets, it is time that the attention of the people of Canada was called to what may lead, and which undoubtedly will lead, to an excessive and unwarrantable abuse. It is that already, and it does seem monstrous that only by favor of American railway companies are the people in this city enabled to purchase their oil at a fair rate.

Hon. Mr. FERRIER — Is the hon. gentleman sure that his statement is correct?

Hon. Mr. SCOTT — I heard it repeatedly, and I sent to-day for a member of the Petrolia Company, and asked him if it was a fact. He said it was, and he said it was worse than I had supposed; that the Grand Trunk Railway had refused to carry oil for them at less than $75 per car, and, in proof of it, he said, "We have this day four cars of oil which we were obliged to bring from the West by way of the Suspension Bridge and across the St. Lawrence at Ogdensburg." My informant is Mr. Shaw, a gentleman dealing in oil in this city.

Hon. Mr. FERRIER — I cannot believe it possible.

Hon. Mr. SCOTT — If the hon. gentleman will investigate it he will find that it is the case.

Hon. Mr. FERRIER — Do I understand the hon. gentleman to say that the Grand Trunk Railway Company is reaping a large amount of profit in that way?

Hon. Mr. SCOTT —The hon. gentleman has heard my words, and he can draw whatever inference he pleases. I have stated the facts. The Grand Trunk Railway has given preference rates to the extent I have named to one oil company over another. I do not allege that the profits on discriminating rates are shared by the management of the Grand Trunk Railway. I know nothing about that. But we have the fact that, under similar circumstances in the United States, the shareholders did not get the benefit. We have the fact that the Pennsylvania Company lost $7,000,000 by its alliance with the Standard in one year. It had been forced into the Standard, how, I do not know, but it was shown that the loss by taking up the Standard business, and giving the Standard these rebates, was a loss to the stockholders to the extent I have mentioned. I impute nothing dishonorable or dishonest to the management of the Grand Trunk Railway. I merely give the facts as they were given to me, and I refer the hon. gentleman to Mr. Shaw, a dealer in oil in this city. In the case to which I have referred, the Petrolia Company found it to its interest to deal with four railway companies rather than with the Grand Trunk.

Hon. Mr. READ — Five companies. I have investigated the whole thing myself.

Hon. Mr. SCOTT — I am glad that the hon. gentleman is able to corroborate my statement. It is in open violation of the 6th clause of the Consolidated Railway Act, which I have already quoted. A similar provision is openly violated in the United States, and we in Canada are imitating them in a small degree, because we are a smaller community, and have not the complications they have, but we are at a distance imitating their vices, following their footsteps in permitting such impositions on the public by monopolies, and more particularly by railways. We are imitating them in a manner that does not speak well for the moral sense of this community. I must apologise for having so long occupied the time of the House, but I did feel that in the interpretation of of this comparatively insignificant word "capital," it was my duty to lay before the House the conclusion I had reached, at all events, whether I am right or wrong as to what can be accomplished under the powers we have given to the Pacific Railway Syndicate under their charter, and are now, in my judgment, further giving them under what we were led to believe would be a restricted interpretation of this word "capital." I think the word "capital," as it stood in the original Bill, was very much more definite, and the discussion that took place in the House showed that it was so. The hon. gentleman smiles.

Hon. Sir ALEX. CAMPBELL — Yes, I do.

Hon. Mr. SCOTT — I think I am right in the conclusions I draw, that in the discussion it was admitted there were to be no dividends on the cost of the roads we furnish, or the lands and money we contribute, and it was to be made clear that they were only to allot dividends on the money they invested themselves. I have shown that they can put in a very small amount of money, and can swell up a very large amount of capital. The capital does not necessarily mean *bona fide* money invested in the venture.

Hon. Mr. READ — I may say that I can corroborate a portion of what has been stated by the leader of the Opposition, in so far as my own information goes, and I took some little pains to go to the same source that the hon. gentleman did to get it, because I had a little grievance of my own, and I think, perhaps, now is the time to mention it. My grievance is that the Grand Trunk Railway discriminates against our own producers in favor of American producers. In confirmation of that, since Parliament met, I wrote to Chicago for an article which required to be brought to my place in Belleville by the Grand Trunk Railway. On the same day I wrote for a similar quantity of the same article to Baden, about seventy miles from Toronto. The rate charged by the Grand Trunk from Chicago to Belleville was $50 a car, or 25 cts. per 100 lbs., while the rate for the same article, the same quantity, from Baden to Belleville by the Grand Trunk was $52 per car, or 26 cts. per 100 lbs. I have the letters, written the same day, and the replies from the Grand Trunk, and there can be no doubt that there was an offer to carry freight from Chicago to Belleville at a lower rate than from Baden to Belleville, which is 400 or 500 miles shorter. In other words, the Grand Trunk offer to draw freight from Chicago to Baden for nothing, and give one cent per 100 lbs. of a bonus for doing it. The article in question is produced in Canada, and the same article is produced in the United States, and I say that this is a discrimination against our own producers, to their great injury. That is my complaint, and I was speaking of it to a gentleman yesterday and he said, "I can show you a worse case than that." I said, "I doubt it." Then he told me of the oil business, and I found that to get their oil here they had to send it by the Canada Southern to the Niagara Bridge. The Great Western took it across the bridge; the New York Central took it to Lewiston; from Lewiston, the Rome, Watertown and Ogdensburg Railway took it to Ogdensburg; from there it was ferried across to Prescott, and brought to Ottawa by the St. Lawrence and Ottawa Railway. I asked how was this. He said, "we cannot get rates from the Grand Trunk. The Imperial Oil Company has got the inside track, and they get a rebate of $36 a car on their freight." I know nothing about this only what the merchant told me here. I think the difficulty may arise from the fact that they want to draw their oil in their own tanks. Possibly the Grand Trunk would carry the oil in barrels at the same rate they do it for the Imperial.

Hon. Mr. SCOTT — No; they declined to do it.

Hon. Mr. READ — It did seem to me that business men like the Grand Trunk Railway Company would not allow business to go away from them in that way, but there may be something behind it. In my own case, however, I say they discriminate against Canadian producers.

Hon. Mr. FERRIER — Was that oil brought in in tanks or in barrels?

Hon. Mr. SCOTT — It was brought in in tanks, the same quantity, and passed over the roads of five companies.

at a lower rate than the Grand Trunk would offer to freight it for.

Hon. Mr. READ—They discriminate against our producers now by freighting stuff from Chicago to Belleville for 25 cents and charging 26 cents for the same freight from Baden to Belleville.

Hon. Mr. DEVER — What is the difference in distance ?

Hon. Mr. READ — Four or five hundred miles, and that for less money. Of course, they can draw it, if they please, for nothing, but we have the right to complain of unfair discrimination.

Hon. Mr. MILLER—I have listened with some curiosity, but without any surprise to the ingenious address with which the hon. leader of the Opposition has just now favored the Committee on the important matter under discussion. I say I listened with curiosity, because I was anxious to hear how far my hon. friend would exert his ingenuity in endeavoring to raise difficulties, and to throw doubts around a matter, in regard to which, both the hon. member and other gentlemen connected with him in politics in this country, now occupy a very unenviable position. I say I listened, however, to the hon. gentleman's remarks without any surprise, because having been for several years in this House, and having heard frequent discussions in this House, and in the other branch of the Legislature on the great question of the Pacific Railway, I believe, if there ever was a subject upon which a party, and especially the leading men of a party, have stamped themselves with the greatest inconsistency, it is in reference to this very question. It is, therefore, without the least surprise that I heard my hon. friend assuming the position which he did to-day, while he went completely back on his utterances in the able address that he delivered to this House while the second reading of the Syndicate Bill was under consideration. If it were not for the fact that I am cognizant of the inconsistency of the hon. gentleman and his party on this question; if it were not for the unfortunate fact, I may say, that these gentlemen have, upon all occasions, been ready to subordinate the interests of their country in connection with this gigantic undertaking, to party purposes; if I did not, witness so many instances of it during the last seven or eight years, I would be surprised at the position assumed by my hon. friend to-day. I did expect, after the declaration which he made when that Bill was undergoing its second reading, and after the declaration made by an hon. gentleman occupying the very highest position in the party to which the hon. gentleman belongs, in another place, that, if they could be convinced that the word "capital" in the Syndicate charter did not include the subsidies and the completed railways that were handed over to the Company, in consideration of their undertaking the great work of the Pacific Railway, their objections would have been very much, indeed, lessened to the scheme—that they would be satisfied with the Bill now before the house. My hon. friend, in language as clear as he himself is in the habit of using — and we all know how clearly he enunciates his opinion when he has any important matter to address to this House — declared in his place here that if the interpretation which the Government has now in this clause placed upon the word "capital" would be the interpretation it was to bear, that much, if not the chief, of his objections to the Government scheme for constructing the Pacific Railway would disappear. Another gentleman, a leader of the party in another place, made the same declaration; and I know now how uncomfortable my hon. friend must feel, because the very thing is done which he could have no possible expectation would have been done when he made that declaration. It is because my hon. friend finds the Bill before the House explains to the satisfaction of the Senate and of the country the word "capital" in this great undertaking; it is because he feels it has swept away from under the feet of himself and his party the only tangible objection which they had to submit to the country against that great scheme, that my hon. friend has taken such trouble to-day to address to the House an argument the chief portion of which is utterly irrelevant in connection with the clause of the Bill now before the Committee. I do not intend to follow my hon. friend in his description of the monopolies which exist in connection with railways in the United States, or any other country. We all know that monopolies are not desirable, and none of us wish to see a monopoly exist in connection with any of our railways, or in connection with the development of our great North-West Territories. None of us desires anything of that sort, and it will not do for my hon. friend to attempt to lead away the minds of the Committee, or endeavor to impose upon the country, by predicting that similar evils to those which we know exist in connection with the monopolies to which he has alluded, are going to be the inevitable result of the legislation that is now before us. It is misrepresenting the question, it is misleading the minds of hon. gentlemen, but it is the only course open to my hon. friend to meet what he knows must be the damaging effect against himself and his party of such a clause as this in connection with the subject now under consideration by this Committee. I said, just now, that I should not follow my hon. friend in all the irrelevant arguments and illustrations he has used in support of his construction of the word "capital." I do not feel that the Committee would be disposed to follow me throughout; but I think I shall be able to show the Committee that the alarm which the hon. gentleman has attempted to create with regard to this question is entirely unfounded. The leader of the House in presenting this question to the Senate on the second reading of the Bill yesterday very clearly, and I think, to the comprehension of every hon. gentleman within the compass of his voice, showed that this clause was framed with especial care, and with every possible desire to have it carry out precisely the purpose which it was intended to meet. The first great object was to define what the word "capital" meant, as well as what it did not mean, and, afterwards, to what subsidies it had relation, and there migh have been a doubt, perhaps, whether the word "capital" included land subsidies, or whether it had relation to anything more than the actual cash which the Company had contributed towards the construction of the work. There was a doubt as to whether the subsidies, under the charter which had been granted to the Company, were to rank as capital. The word subsidy had been used in reference to the land appropriation, and also in reference to the money grant, and, therefore, in the first clause of the Bill, there could be no doubt that the land grant and the money grant could not possibly be included in the word "capital," intended to be defined in the Syndicate Bill. The hon. leader of the Government so clearly put this point to the House, and, no attempt having been made to controvert his explanation, it is not necessary now to make any argument in regard to it. He showed that in the language of the Syndicate Bill itself there can be no doubt whatever what was meant by the word "capital," what was meant by the word "subsidies," and also what was meant by the other assistance, such as the completed portions of the road which were to be handed over — there can be no confusion of terms. The language selected for the purpose was so precise, so exclusive in one sense, and so inclusive in another, that there could be no confusion in the mind of any one as to what was intended to be meant by the word "capital." The hon. gentleman, in dealing with this question, argued as if we were considering the ways and means of constructing an ordinary public work. Hon. gentlemen must recollect that this is not the case; that we are dealing now with an extraordinary question, and that that question has been to this country an enormous difficulty for many years past. If it were an ordinary question, subject to ordinary objections and conditions o legislation there might be some force in the hon. gentleman's arguments, but, when he knows that this great work we are now engaged in is one that we have been told would utterly bankrupt this country; when he knows that he himself has told this House that it was altogether beyond the reach of the means of this Dominion, and no one, perhaps, has been more gloomy in his predictions as to the results which this work was going to entail on this country; when he finds a scheme inaugurated and about to be but into operation that is certain to dispel all those gloomy predictions, and to bring to a successful conclusion this important enterprise, he should not be so very captious with regard to some minor defects, that we all admit exist in the contract. It is very true that the Syndicate contract is not all that some of us would like it to be. If we had the privilege of drafting the contract entirely to our own satisfaction, there are some things in it which, no doubt, we would leave out; but, as we have not that privilege, and as there were two parties to be consulted,it is but natural that there are provisions in it that we would wish to dispense with. But the Government having been enabled, through their exertions during the recess, to make a stride towards a satisfactory solution of the great question of the hour, and, considering the difficulties with which the question was surrounded, having succeeded so far as to get a Company to undertake this enterprise upon terms more favorable than it was ever anticipated any Company could have been got to take it, we should not expect that in every particular our views could be met, or no possible refinement of argument might not be urged against some of the terms and conditions upon which the Pacific Railway is to be completed. I ask the hon. gentleman if, when he himself was in power, the Government of which he was a member had received such an offer as has been accepted by the Parliament of this country, would he and his Government not have gladly availed themselves of it, with all its objections, and with all its alleged monopolies; and would we not have heard my hon. friend coming down to this House and arguing away all those objections as so many cobwebs to be brushed aside, and not worthy to be considered in connection with the accomplishment of so very great an object? I am sorry to find that my hon. friend has assumed a very different position out of office than he would certainly have done in office, and that he is not willing to deal with this great question with that candor which he generally exhibits upon other subjects; but I attribute it all to the fact that the party with which he is connected have expressed their hopes of returning to power upon presenting this Syndicate scheme to the country, in every particular, as a bargain which is going to be extremely disastrous to the best interests of the Dominion. I say it is because the Opposition have come to the conclusion that this is the best battle ground which they can occupy, that such a speech as we have heard to-day, has been made by my hon. friend, and so many speeches have been made in another place, and resolution after resolution has been presented to Parliament, having no other object, whatever, except that of influencing the popular mind by persistent misrepresentations. Now, after separating all the irrelevant matters in the hon. gentleman's speech from the gist of it, what did his whole argument amount to? In opposition to the clause of the Bill under consideration, what did he attempt to show? The hon. gentleman's argument is this: that the Company may, by watering its stock, or by creating fictitious stock, impose, even under this ten per cent. rate, burdens on the industries of that country in connection with the transportation of the products of the North-West that they will be unable to bear. If my hon. friend's argument amounts to anything, it means that the Pacific Railway, when completed, will not be able to bear a rate of tolls that will allow a ten per cent. profit on ten millions of capital stock, much less on twenty-five millions, and that the Bill will permit the creation of a monopoly that will inevitably retard the settlement and development of the North-West. Now, in the first place, my hon. friend has left out of sight in his argument a very important consideration, and it is this: there are no people so much interested in the development of the North-West as the very men who, he says, are going to create this monopoly, and kill the trade and prevent the settlement of that country. And, if it be the case that these men are more interested than even the Government of the day (because the whole success of the enterprise will depend upon settling that country), if there stands nothing between themselves and disaster but the settlement, and the speedy settlement, of that great territory, does it not strike one as absurd to suppose they would pursue such a policy as would drive people away from the territory and prevent its development? In that, you have the first strong guarantee against monopoly on the part of the Syndicate? My hon. friend would not contend that any money that the Company may invest in the construction of that work should not yield ten per cent. profit, notwithstanding the low rate of interest in the money markets of the world at the present time. No one would, for a moment, pretend to say that ten per cent. profit on an investment like the one we are considering would be exorbitant, or would be at all deserving of the name of monopoly. However oppressive might be the rates of tolls, no one could claim that money invested in so heavy and so remote an undertaking — an undertaking where the profits must be so remote, and the ultimate success of which is so far in the future — should not yield ten per cent. profit. My hon. friend does not argue that for one moment. Now, under the charter of the Company, they will be called upon to deposit, in addition to the $1,000,000 deposit, four millions between now and 1882. That much at least, he admits will have to be invested by these men in the construction of this work. My hon. friend uses the plausible argument that the lands and money will be sufficient to complete the portions of the road which the Syndicate have to build. That I do not at all admit; and I do not think the hon. gentleman will get anyone differing from him in politics in this country to admit for a moment, that the subsidies we have undertaken to give the Company will be sufficient to build the portions of the road devolving upon them. Looking at the history of this question, the reports of engineers for years, and the opinions of eminent men who have given the subject very great consideration, there can be no doubt that in addition to what we will give the Syndicate they must expend twenty or twenty-five millions more. The hon. gentleman does not believe that the Syndicate will invest a dollar of their own money in the road beyond the amount they are required to pay up under the third clause of the charter, that is 30 per cent. of $5,000,000, but that they will increase their capital stock by watering or otherwise to any extent they please up to $25,000,000. That shows conclusively the weakness of his position, because once the stock becomes watered stock, it is absurd to say that it can be considered capital under this Bill. But what is the language of the Act which the clause under the consideration of the Committee is intended to amend. It says:—

> "The Parliament of Canada may, from time to time, reduce the tolls upon the Railway, but not without the consent of the Company, or so as to produce less than 15 per cent. per annum profit on the capital actually expended, etc."

Now, I ask my hon. friend how can watered stock be capital actually expended? The language of the Consolidated Railway Act of 1879, in connection with the language of the Bill now before the House, puts it out of the reach of possibility that any operation such as my hon. friend has supposed possible, could take place. If the Company are obliged to expend $10,000,000 or $20,000,000, in addition to the subsidies and assistance they get from the Government, is it unreasonable to ask that they should be permitted to charge tolls in order to obtain a fair profit from their investment? We all know, from the information we have, that it will be a long time before this road will even pay working expenses — that it will require $7,000,000 or $8,000,000 to pay the working expenses alone, and we have the opinion of a gentleman well qualified to give an opinion on this subject (Mr. Fleming), that until 3,000,000 of people have settled in that territory it will be utterly impossible for that road to earn the expenses of operating it. Where, then, can be the danger of monopoly under the safeguard this Bill will throw around the charter, when the probability is that for the ten years after the completion of the road that the Company is secured from competition, it is altogether beyond the reach of probability that there will be enough people in that country to pay the working expenses of that road. This arrangement has been spoken of as one that is to exist for ever, but it should not be forgotten that within ten years after the time limited for the completion of the road, the monopoly will expire, and, if necessity should call for it, lines will be called into existence; therefore, this question of monopoly cannot really be so alarming as my hon. friend, with all his ingenuity and eloquence, has endeavored to make it appear. He complains that the Bill before the House contains no clause providing against preferences being given by this Company, either to its own immigrants or others settling in that country, but in the same breath he shows the utter worthlessness of such a clause. He shows we have a clause of that kind on the statute book in reference to other railways, and that it is violated every day and cannot be enforced, and still he would ask that a clause should be inserted in this Bill, or in the charter of the Company, which he himself admits is impracticable in other instances. The hon. leader of the Opposition addressed the Committee for more than an hour, but ten minutes might have sufficed him to say everything he advanced against the clause of the Bill which he attacked. All the rest of the time was occupied in dealing with subjects, which were without any relation to the one before us — in fact were clearly intended to mystify the question, and draw away the mind of the Committee from the point under discussion. I have partly explained the reasons of the hon. gentleman's conduct, but I have not given a further reason that must suggest itself to anyone who has followed the debates elsewhere. When the Syndicate Bill was before the other House, the country was told that under its provisions the Company would be able to regulate the tolls on the railway on the full cost of the work, including the subsidies in land and money, and the completed portions of the road, and it was on this basis that the cry of monopoly was then started. Viewed in that way the cry was an alarming one. There were just grounds to oppose allowing the Company to obtain a ten per cent. profit on the aid contributed by the country to the construction of the railway. There were good grounds for arguing that under such a construction of this charter, the Company might become an oppressive monopoly. This feature of the Syndicate Bill was the one that excited the greatest hostility in the ranks of the Opposition, and appeared to be viewed by the people as the chief objection to the scheme. These hon. gentlemen knew these facts well. Now, when the construction they contended for is clearly shown to be wrong; now, when the foundation of all their gloomy predictions is about to be swept away by the Bill before the Committee; now that it is to be placed beyond all doubt that the capital on which the Company will be authorized to charge tolls, not exceeding ten per cent. profit, will be the cash capital actually expended by them, independently of all Government aid, in the building and equipment of the railway, the Opposition find that all their factious efforts to mislead the country are certain to prove of no avail, and that it is necessary for them to assume a new ground of hostility to this feature of the Pacific Railway charter. This is the reason why the hon. leader of the Opposition has taken the new departure that he has made to-day in reference to this clause of the Bill. He now contends that to permit the tolls on the road to be regulated on a capital of $25,000,000, as allowed by the charter — or even on $10,000,000 of what he called watered stock — would impose a monopoly that would ruin the North-West. Now, he (the hon. gentleman) contends that a railway that is going to cost $80,000,000 will not bear to divide any profits on a capital of even $10,000,000 without becoming a grinding monopoly. This absurd contention the hon. member is driven to by the declaration contained in the first clause of this Bill, in consequence of his own utterances on previous occasions. This is the only way in which he can expect to impose on the country, and make the people still believe that the alarming cry of monopoly which has been raised by his party on this branch of the charter is not illusory and misleading. He has labored hard to extricate himself from the false position in which he finds himself placed, but the effort was a vain one, and unworthy of his general course in this House. He will fail to hoodwink or deceive the people of this country, who are every day becoming more sensible to the fact that the opposition of his party to the Syndicate bargain is as factious and unscrupulous as it is unpatriotic, and inimical to the best interests of this Dominion. I have no doubt other gentlemen may desire to follow my hon. friend in reference to many of the statistics which he presented to the House, but which one cannot be expected to meet upon the spur of the moment. For my own part I have not taken any share in previous discussions connected with the Pacific Railway charter. I felt that I had had so many opportunities of expressing my opinions on this question when it was before Parliament on other occasions, and I was so well pleased with the unexpected good fortune of this country in the bargain which the present Government had succeeded in making in connection with this great work that I was satisfied to leave the discussion of it to much abler hands. I did not think it worth while to trouble the House, as I could have contributed nothing new to the debate, but I felt, when my hon. friend to-day attempted to mystify and to throw a degree of doubt around the careful provision which had been made in regard to this important clause of the Bill before us, I could hardly remain silent, and it was my duty to give expression to the views I entertained upon it. I do hope that my hon. friend will himself live to see that no danger will result to the country from the monopoly which he fears will be called into existence with regard to our North-West Territories by the legislation of this session. I say again, we have the greatest security and safety from abuse of the powers we have given the Pacific Railway Syndicate in their own self-interest, and if that does not prevent it, no clause such as he refers to, and which railway companies find it so easy to evade, would have that effect. I am perfectly satisfied with the clause as it exists; I shall have much pleasure in voting for it.

Hon. Mr. DeBOUCHERVILLE, from the Committee, reported that they had made some progress with the Bill, and asked leave to sit again on Thursday next.

POSTAL IRREGULARITIES.

Hon. Mr. McCLELAN — Before the House adjourns, I desire to direct the attention of the hon. Postmaster-General to the fact that very unusual delays in transmission of the mails, to and from the County of Albert, have recently occurred. The contract is, I believe, held by the Railway Company; but, the running of trains has been impeded to an unusual extent this winter by snow storms, and other accidental occurrences. The local postmasters do not appear to have any very definite authority for forwarding the mails when these lengthy delays take place, and great public inconvenience has resulted on several occasions. Nearly a week has now elapsed without any mail from that district.

Hon. Sir ALEX. CAMPBELL — I am much obliged to the hon. gentleman, and will at once enquire into the matter, and inform him further to-morrow.

BILLS INTRODUCED.

Bill (34) An Act to incorporate the Dominion Salvage and Wrecking Company.—(Mr. Ferrier.)

Bill (7) An Act to incorporate the Wrecking and Salvage Company of Canada.—(Mr. Ferrier.)

Bill (48) An Act respecting the Consolidated Gold Mining Company.—(Mr. Flint.)

Bill (2) An Act to amend the Inland Revenue Act.—(Mr. Aikins.)

The Senate adjourned at 6 o'clock.

THE SENATE.

Thursday, March 3rd, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

THIRD READINGS.

Hon. Mr. ALLAN, from the Committee on Banking and Commerce, reported the following Bills, which were read the third time and passed.

Bill (8) "An Act to reduce the capital stock of the exchange Bank of Canada, and otherwise to amend the Act respecting the said bank." (Mr. Ryan.)

Bill (K) "An Act to incorporate the British and Colonial Insurance Company."—(Mr. Allan.)

NATURALIZATION AND ALIENS' BILL.

A CORRECTION.

Hon. Sir. ALEX. CAMPBELL — I desire to correct an error into which I fell the other day, in reply to a question of the hon. member from Richmond, in reference to the Naturalization Bill. My hon. friend asked if there had been a new convention which included Canadian subjects of Her Majesty who might be entitled to recognition of their naturalization in Germany, supposing they went there after this Act had been passed. I said "yes." I have since found that I was in error. I should have said that it was arranged that such a Convention would be entered into, and that correspondence was going on on the subject.

Hon. Mr. MILLER — The difficulty presented itself to my mind at once as to how our law could have any operation until some such convention were entered into. I knew there had been some steps made in that direction by the Imperial Government, in regard to Germany, but I did not know that these negotiations had been concluded. I have since ascertained, however, that the Convention has been commenced, and that it is pending and open at the present time, and not to be concluded until our legislation passes, which is to bring us within the terms of the Convention, and which will remove the whole difficulty as to this contemplated legislation in this Parliament.

MAIL SERVICE IN CAPE BRETON.

INQUIRY.

Hon. Mr. MILLER inquired:—

> "Whether any arrangements have yet been made with the Halifax and Cape Breton Railway Company for carrying the mails in Eastern Nova Scotia, and whether the Government are aware of the delays now taking place in this service at New Glasgow and the Straits of Canso?"

He said: In connection with this question, I desire to say that this matter is one of very great importance to the inhabitants of Eastern Nova Scotia. Until within a very recent period, twelve months or so, the railway system of Nova Scotia terminated at New Glasgow, in the County of Pictou. Latterly, however, by the Eastern Extension Railway, we have obtained railway communication to the Strait of Canso, which separates the Island of Cape Breton from the mainland of Nova Scotia. The contract for carrying the mails from New Glasgow to Sydney does not terminate until the 1st of April, unless it has been terminated by the action of the Department over which my hon. friend the Postmaster-General presides. However, within a few months past, the mails have been carried over the line from New Glasgow to the Strait of Canso, and for six or seven months, from New Glasgow to Antigonish. I was not aware until recently whether any contract had been entered into with the Company since the road was put in operation, to carry the mails to the Strait of Canso. No contract had been entered into up to the time I came to Ottawa in December last to attend to my duties in this House. The delays which I allude to in the second part of my inquiry have been caused by the connection which is made at New Glasgow by the Eastern Extension Railway with the railways of Nova Scotia. In coming up to Parliament, for instance, I found that our mails arriving at New Glasgow were detained there for three hours before they started to Halifax, and the return mails for Cape Breton, coming down, were also detained the same length of time at New Glasgow before the train was ready to take them on to Cape Breton. The consequence was that during the winter months the mails did not arrive at the Strait of Canso in time to get across that dangerous navigation before dark, when the ice was running in the Strait. The result was that they had to stay on the Nova Scotia side all that night, and were twelve or fifteen hours behind hand when they reached their destination. The same thing occurs with the mails from Cape Breton, destined for Halifax and the West. They stay on the Cape Breton side the night they arrive, and are also detained three hours at New Glasgow. The result of these delays has been that, under the old system, when we had nothing but the ordinary stage coach, we get our mails just as soon as we get them now that the stage has been replaced by a railway extension of about eighty miles. This should not be the case. The mails for Cape Breton should be forwarded without any detention at New Glasgow or elsewhere on the line. What I desire is to impress upon the Government, if they have entered into a contract with the Halifax and Cape Breton Company for the carriage of the mails from New Glasgow, or from Truro when the Truro line is handed over, that the mails should be despatched immediately upon their delivery at the point of junction. There is no reason whatever why the mails should be detained at that point one moment longer than would be necessary to make the change, and there is no reason whatever why our mails going West should be detained at that point any longer than would be necessary for the same purpose. The postmasters on both sides of the Strait of Canso should be made to understand that it is their duty to use every possible means to forward the mails as soon as they arrive there, going or coming. As this subject has created a great deal of dissatisfaction in the Island of Cape Breton, I thought it my duty to bring it in this shape publicly under the notice of the Government. I know it has been said that latterly the mails have been detained in consequence of snow storms. I believe that has been the case, and the detention we have experienced the last ten days has been in consequence of snow storms prevailing in that portion of the Dominion. But, to these accidental delays, I have no reference in my motion. The delays I have reference to are consequent upon an imperfect arrangement in the railway connections over the line between Halifax and the Strait. As I said, just now, we, in Cape Breton, look forward to derive considerable advantage from the railway extension east. We have no railways of our own in that Island, and the nearest benefit we derive from the railways in Nova Scotia is from the portion of it which touches the Strait of Canso. But if these imperfect arrangements are to continue without any regard to our interests, then we might as well have no railway at all, in so far as our mail service is concerned ; for, as things are arranged now, we do not receive our mails an hour earlier than we used to under the old system. I know my hon. friend at the head of the Department, now that I have brought this matter under his notice, will, with the readiness which he has always shown to place his Department in the most efficient condition possible, and the readiness to meet my wishes which I have always experienced from him, when bringing any subject under his notice, see that this matter is put right. I am not prepared to say that the Halifax and Cape Breton Company have their arrangements so completed as to be able to prevent this delay. We are not disposed to find fault with what has taken place already, because in the handing over of the railway to this Company, and the opening up of a new line, we do not expect that the service could be placed on the footing it should occupy in such a short period, but we do expect that in the future our interests will be guarded and looked after in any new arrangement or contracts for carrying the mails between Cape Breton and Nova Scotia.

Hon. Mr. BOURINOT—I rise merely for the purpose of corroborating the statement of my hon. friend from Richmond, as to the detention in the conveyance of the mails beween Halifax and Cape Breton. I have had letters frequently complaining of the detention of the mails, and these detentions are of long date. I know of my own knowledge that they are detained from two to three hours at New Glasgow ; then again when you get to Port Mulgrave, another detention occurs, then crossing at Port Hawkesbury, where the mail is to be made up, there is another detention. There has been, however, a new Postmaster appointed there, and these delays will not, I believe, continue to occur. I wish it to be understood that no blame can in any way attach to the mail contractors, Lindsay & Co., who have given so much satisfaction to the public for the long period they have been so employed, so faithfully have they performed the service entrusted to them. When the railway was finished from Port Mulgrave to New Glasgow, it was a good line. I travelled over it the first time it was opened, on 1st December last. Nothing could be better built than it is. If the mails were sent over that line from New Glasgow without detention at Port Mulgrave, we could get them twenty four hours earlier at Sydney than we do now. When this railway was completed there was a great deal of satisfaction manifested throughout the Island of Cape Breton, and we anticipated that the mails would be received much more expeditiously than they were in the past. However, that time has to come yet, but if the postmasters who reside on the line, especially on this side of Port Mulgrave and at Port Hawkesbury, were instructed not to delay the mails more than half an hour or an hour, we could get them in good time. I understand that the mails arrive about dark at Port Mulgrave, and they should go on that night,but are detained there until morning. There is also a detention at Antigonish. Prompt mail service is a matter of great importance to this large and valuable island, with its great mineral and agricultural resources, and the people complain that they have hitherto been kept out in the cold, while other provinces of the Dominion have been by far more favored by obtaining extensive railway accommodation. While the Dominion governments, both past and present, have been assisting the building of railways in other parts of Canada, the Island which I have the honor to represent is passed by, but I trust before the session closes I shall have an opportunity to bring this matter to the attention of the House in connection with the railway requirements of Cape Breton.

Hon. Sir ALEX. CAMPBELL — I regret that I misunderstood the question which my hon. friend from Richmond placed on the notice paper, as regards the latter part of it, which I thought related to temporary delays resulting from snow storms. With reference to the first part of the question, the Government has already entered into this contract, but the delays are not of the kind that I supposed when I read the notice. They are of a very different character, and will receive at the hands of the Post Office Department the best attention we can give them. The difficulty is that the Department is obliged to accept the time tables of the railway companies. Unless we do that we must pay for special trains, which would be inordinately expensive. A special train would probably cost one, or perhaps two dollars per mile. It is a very expensive luxury, and in no case has the Department any special trains. It is quite beyond the resources of the Department, and would not be tolerated by Parliament. We are obliged to make the best arrangements we can with the railway companies, and endeavor to induce them to alter their time tables if they are found inconvenient for the mails, so as to make more suitable arrangements. New Glasgow being a place on the way between Truro and Pictou, the trains are probably timed to leave Pictou at a certain hour, and, on the other side, to leave Halifax at a certain hour, without reference to the time at which they reach New Glasgow. Whether we could or could not arrange with them to make other and better arrangements to New Glasgow is a question which will engage the earnest attention of the Department. I will take care that it does. I trust that my hon. friend and other gentlemen from Cape Breton will keep in view the difficulty, that we must take the railway time, or pay a special train, and that the latter is beyond the resources of the Department. The object we will strive to attain is to endeavor to get the railway companies to so alter their time as to allow the train from New Glasgow to Port Mulgrave to leave New Glasgow on the arrival of the train there. In that or in any other way that I can advance the progress of the mails to Cape Breton, I will be happy to use all the exertions in my power. I quite acquiesce in what was said by my hon. friend from Sydney, that Cape Breton is exceptionally situated, and is entitled to special exertions to increase the postal facilities of the Island, because, as the hon. gentleman has remarked, its inhabitants contribute their share to the revenue of the Dominion, and get very little of the benefits derived from railways and kindred works. As far as I can, I shall give effect to the very just wishes my hon. friend has expressed for the expediting of the mails to Cape Breton.

Hon. Mr. MILLER — I am very glad to hear these remarks from the hon. the

Postmaster General, and I must say it accords with what I have experienced from him on several occasions when I have had to bring the mail service of that Island under his notice. I think there would be very little difficulty in making satisfactory arrangements with the Halifax and Cape Breton Railway. I consider the delay complained of is very injurious to travel on their line, and they are interested themselves in removing what is at present a very serious cause of complaint in Eastern Nova Scotia. I believe the gentlemen who have control of that line are well disposed to meet the wishes of the people of Cape Breton and Eastern Nova Scotia, and the Government is doing a good deal towards making their line remunerative, by subsidizing steam communication as feeders to that line; and in any negotiations of the Government with them it might fairly be urged that the Government is doing a good deal towards making their line remunerative in the future by these subsidies.

Hon. Mr. DICKEY — The whole difficulty appears to arise from the Halifax and Cape Breton Railway being timed to leave two or three hours after the arrival of connecting trains from Halifax. The distance is only a little over a hundred miles from the terminus of the railway at Halifax to the point of junction. The same thing occurs at Truro, where the mails are distributed. One line goes east and another west, and there is only a delay of a few minutes. I believe that is the rule in almost all railway regulations, and the whole difficulty in this case could be obviated by simply arranging that the trains should leave as they naturally should leave, soon after the arrival of the train from Halifax on the main line. As the train arrives at New Glasgow about noon, there would be plenty of time to arrive at the Strait before dark, so that they could cross that same day.

Hon. Mr. MILLER — That is all we want.

Hon. Mr. McCLELAN — I called the attention of the hon. Postmaster General the other day to the interruption of mails in Albert County. They have been interrupted on several occasions for nearly a week at a time, and no communication has been had to or from that district of country for that long period. These interruptions have been repeated so frequently that I thought it necessary to verbally call his attention to the matter, and in reply the hon. Postmaster General promised to refer to the subject to-day, and state whether some remedy could not be applied to overcome the difficulty. The Albert Railway runs forty-five miles through that county, and supplies four-fifths of the county with postal facilities. There is, I believe, a contract for the conveyance of the mails, but the contract does not extend to periods of interruption, and when communication is interrupted by snow storms, or any thing else, and the railway ceases to run, there is no definite mode by which the mails can be forwarded. I mention this, particularly, because this might not be a serious difficulty on other lines of railway; it is an important matter in Albert County, from the fact that they do not seem to have the necessary appliances to keep the road clear, and hence the delays have been very extended.

Hon. Sir ALEX. CAMPBELL — I have to apologise to the hon. gentleman for having forgotten to inquire into the cause of the delay in Albert County. Of course it is impossible to have two sets of contracts, one with the railway and another with the stage, to take the place of the railway in case of accident on the line. We are willing to adopt either, but we cannot have both. If the hon. gentleman will allow the matter to stand I will make further inquiries.

CONSOLIDATED RAILWAY ACT AMENDMENT BILL.

AMENDMENTS CONCURRED IN.

The House resumed, in Committee of the Whole, consideration of Bill (N) "An Act to amend the Consolidated Railway Act, 1879."

On the 1st clause,

Hon. Mr. SCOTT moved that the words "paid up stock and share capital" in the second line be erased, and the following words substituted therefor - "The nett amount of cash, or money's worth, contributed by the shareholders of the Company, and *bona fide* invested on the best terms attainable in the construction, equipment, and maintenance of the railway."

Hon. Mr. McLELAN — I am sorry to trouble the House with any further observations on the matter of the Canadian Pacific Railway, but when the ex-Secretary of State was speaking, immediately before the adjournment, I thought there were one or two points on which I should like to say a few words. He spoke with a great deal of earnestness and energy, combating an imaginary danger. The hon. gentleman seems to fear that this Syndicate will become a great monopoly in the North-West. All of his arguments were based on the supposition that a great traffic already exists there, and that the powers conferred on this Syndicate would be used to destroy that traffic. He forgets altogether that no traffic exists there, and that the Syndicate must create their traffic, otherwise they will go into bankruptcy. The hon. gentleman mentioned the fact that western railways discriminated in favor of certain individuals, and I referred him to a similar condition of affairs on the Intercolonial Railway. He seemed to doubt it, but I know that the Londonderry Iron and Steel Company are not charged one-fourth as much as the general public have to pay. I have myself paid $5 for a car for the same distance that the Company paid $1.50. That was an arrangement made when the hon. gentleman and his friends were in power, and the present rates are about the same, and that for a car of coal from the mines to Londonderry station, the Company pay $1.50, while others are charged $6.30. We do not complain much, because we feel that special advantages must be given to great companies who do an immense amount of traffic, and are building up an industry which will benefit the whole country, and if the railway can, without direct loss to itself, perform that work so much cheaper in consequence of the large amount, then the public have an advantage. Just so in the West. I assume that a farmer going in and taking up thirty or forty thousand acres of land will get his produce moved cheaper than a man who is farming only 100 acres of land. The railway is able to carry the product of that farm at very much less rates than it is able to take the lesser quantity from a smaller farm. But the hon. gentleman instances the case of the petroleum traffic. However bad that may be (and I do not know the particulars of it), the hon. gentleman should bear in mind that there is no analogy between that traffic and the grain traffic of the American continent. The production of petroleum is confined to a small and circumscribed area, and a ring of capitalists may be able to gain and hold a monopoly of the petroleum trade. But the hon. gentleman should bear in mind, and the House will see, that the grain trade is not so confined and cannot be grasped by any monopolists or ring of monopolists, however great they may be. Therefore, there is no analogy between the two. But the hon. gentleman went on to argue that the grain trade is monopolized and that the monopolists in the United States are extorting enormous fortunes from that traffic. He quoted a speech made by Judge Black, and he gave his figures in support of his argument. I had read that speech down as far as the figures which the hon. gentleman gave the House, when I threw it aside. The hon. gentleman argued that the monopolists in the United States are charging over and beyond what is a fair rate for the carriage of produce to the extent of fifteen cents per hundred pounds; and he went on to state that an increase of five cents on grain amounted to $75,000,000, and that three times that, or fifteen cents, which they were over charging, amounted to $225,000,000, and, as the grain product is estimated at less than one-third of the whole freight traffic, therefore three times the $225,000,000 would make $675,000,000 that the United States monopolists are extorting from the producers of America over and above a fair profit. The hon. gentleman is so accustomed, professionally, to accept the word of a learned judge that he takes the utterances of Judge Black as the foundation of his long and labored argument. The reporter inserts a paragraph stating that the judge made a reference to General Garfield, the President-elect, and "at the mention of his name a great shout went up from the vast audience, men wildly waved their hats and ladies their handkerchiefs." In this wild enthusiasm it is charitable to suppose that the Judge lost his head, and indulged in statements the most reckless. I will read his words.

[The hon. gentleman read from Judge Black's speech at Cooper Institute the parts giving the figures already stated.]

Now, this is the statement upon which the hon. gentleman based his argument.

Hon. Mr. SCOTT — It is one of the illustrations that I gave.

Hon. Mr. McLELAN — Now, he argued that $675,000,000 more than a fair rate is robbed from the producers of the United States, then, I ask him, what must be the charges upon the whole freight that is carried, and the gross earnings of the road?

Hon. Mr. SCOTT — I only followed Judge Black's figures as far as the five cents were concerned.

Hon. Mr. McLELAN — The hon. gentleman took the whole 15 cents for the grain crop, and then he says the grain is only one-third of the whole freight carried, multiplied by 3, it makes $675,000,000. When I had read that, hon. gentlemen, I knew enough about railroad earnings to see the absurdity of the statement, for the whole freight earnings of all the railways of the United States during the last few years, for which I have returns, amounted to only $365,466,661.

Hon. Mr. SCOTT—The Union Pacific and Central Pacific were quoted at $48,000,000.

Hon. Mr. McLELAN — The returns from the Union Pacific are the largest in the United States, and that includes passengers and all other income. I have taken my figures from Poor's *Railroad Manual*, which I believe is considered the best authority, and, instead of there being $675,000,000 of a robbery by monopolists over and above a fair rate of profit, the whole dividends paid in last year amounted to $53,659,000. The hon. gentleman will see that the argument which he made with so much earnestness and energy is entirely swept away by hard facts. He declares that great railway monopolies in the United States are robbing the people of $675,000,000 more than a fair profit, actually $309,000,000 more than the entire receipts of all the railways in the United States from freight in the years quoted.

Hon. Mr. SCOTT — The highest figure I quoted was $225,000,000. The hon. gentleman is quoting Judge Black — not me.

Hon. Mr. McLELAN — The hon. gentleman quoted part of the statement relating to grain alone, which is one-third of the whole.

Hon. Mr. SCOTT — I quoted all I thought necessary, and I did not vouch for the correctness of the figures.

Hon. Mr. McLELAN—The hon. gentleman quoted it, and made it the basis of an argument to mislead the country. I think he would have been a great deal safer to have taken the position that this Syndicate is composed of men of sense. They are not insane; they are not men who are going to construct a railway to the North-West, and put on such freight rates as will prevent people going there and cultivating the soil. In order to save themselves, they have got to create industries in that western country, and make a traffic where none exists at present; and they will do it unless this Parliament is misled into such an interference that they will prevent the Company from carrying out their great undertaking. If the House will allow me, I will refer to the remarks of another American — not Judge Black, but Jay Gould — who has been interviewed, and gave his views on public matters, and I wish to read extracts for the benefit of gentlemen in the Opposition :—

"DANGER SIGNALS.

"But," said he, musingly, "there is one peril."

"What?"

"Injudicious interference by congresses and State legislatures with business. It was legislation that precipitated the panic of 1873. Probably it would have come sooner or later, but there are storms and cyclones on the great sea of trade and commerce as there are on the ocean, and the coast is strewn with wrecks. The granger legislation of the North-West some years ago cost this country more money than it will ever know. Nothing is so easily frightened as capital. Men are not going to put their money into enterprises without some security that the conditions upon which it is invested shall be kept. A charter, say to build a railroad, is a compact between the State and a corporation, which is only another name, the legal title, for a portion of the people themselves. That contract or compact should be faithfully observed on both sides. My connection with the Union Pacific Railroad led me into a close investigation and study of this question, and I have come to the conclusion, as the result of that study, that it would have been infinitely better for the men who built it, and for the road, if they never had anything to do with the Government. It is difficult to estimate, in fact it is impossible to estimate, how many hundreds, if not thousands, of millions of dollars of European capital are frightened from investment in the industrial works of this country by this constant, unwise and irritating interference by men who in nine cases out of ten are actuated solely by the spirit of pure demagoguery. These people and not the great corporations, or, as it is the fashion to call them, the great monopolies, are the chief enemies of the country. The men who have bound this Republic together with iron highways from the Atlantic to the Pacific, and from the lakes to the Gulf, who have placed a telegraph instrument in every hamlet, are the men who have served it in peace as Grant served it in war. How could America feed Europe to-day if it were not for the great corporations? People talk ignorantly about freight tolls here. They ought to live in Europe and get some experience of the freight charges there."

"There may be some evils incident to railroad management now, but nature has passed a stronger and more effective insterstate bill than an American Congress or any other Congress or Parliament will be ever likely to devise."

"Which is?"

"The water system of this country—the Mississippi River on one hand, the great lakes and the Hudson River on the other. These highways hold the railways in check, and thus the railroads hold one another. The trunk lines have, each one its own, diverse and sometimes rival interests to protect. In the keen and eager competition between them the public will find its surest and strongest protection. Bills of this character, as I said, are doing more to retard our growth than any thing else; in fact, they are the only brakes on the wheels. And we hear of them all over. In every State in the Union almost there are a score or more so called patriots who are heroically endeavoring to save the Union from the corporations. Men in England and France, in every quarter of the world, who have money to invest, read the speeches and propositions of these people with amazement and at once lock up their safes. The order to the New York brokers to buy this or that stock is thrown in the fire."

And that is one great danger here of the interference by Parliament, and by statesmen and politicians giving utterances to sentiments which may be quoted abroad that will prevent capital being invested in this undertaking, or in other industries in this country. The people of the North-West have this protection: first, that the Syndicate have to create the traffic, and to populate that country; and having established a population there, they must compete with all the rest of the world in the production of grain; and that competition will tend to keep this Company from creating a monopoly by excessive rates. I think that, having granted a charter to the Company, and that Company having gone into the work, it is more patriotic on the part of Parliament, instead of creating alarm amongst the people who would otherwise go into the North-West, to use every proper means in order to induce people to settle in that country.

Hon. Sir ALEX. CAMPBELL — I desire to add one word, before speaking on the subject of capital, to what my hon. friend from Londonderry so well stated with reference to the very exaggerated statements quoted by the hon. gentleman who leads the Opposition, regarding the earnings of the United States railways. Not only is the hon. member from Londonderry perfectly correct, but the mis-statements of Judge Black have been noticed by Mr. Albert Fink, who is a gentleman very frequently chosen by United States railways to settle pooling and freight questions, and is, therefore, perfectly familiar with the whole subject on which Judge Black undertook to speak. Mr. Fink says: —

"Unfortunately for Judge Black, when we consider the carefully compiled statistics which are published by Mr. Henry V. Poor, of New York, in his *Railroad Manual* which work is generally in the hands of all men who pretend to watch the progress and condition of railroads and keep themselves informed upon this subject, we find there is a strange discrepency between the facts as represented by Judge Black and the facts as they appear in Poor's *Manual* In that work for 1880 we find that the total gross freight earnings of 84,233 miles of railroads in the United States, in the year 1879, were only $387,676,108. This is the total amount of money paid by the people of the United States to the railroads for all sorts of freight transportation, including all local and all through freight during the year 1879, of which Judge Black computes the railroad companies have unjustly extorted $675,000,000 from the suffering people. Out of these gross earnings the railroad companies have actually paid, as also appears from the same book, about 60 per cent, or say, $232,000,000, for operating expenses, to their employees, to manufacturers, etc., which leaves them only $154,000,000 available for the payment of interest on an investment of $4,762,000,000. The total net earnings of all the railroads of the United States, including the passenger traffic, were $219,916,724, or 4 8-10 per cent. on the capital invested.

"Judge Black says railroad companies have a right to be reimbursed all that it cost them to render the service, and to receive in addition a reasonable profit on the capital invested. It may not be out of the way to say that 8 per cent. interest on the investment constitutes a reasonable profit on so risky an enterprise as building and operating railroads, bearing in mind that as a rule railroad companies have been paying more than 10 per cent. on borrowed money. Taking only 8 per cent. as a reasonable interest, the railroad companies of the country in 1879 failed to be re-imbursed for the cost of their service by 3 2-10 per cent. on the capital, or, in other words, instead of robbing the people of $675,000,000, the railroad companies furnished in 1879 $142,000,000 of their own means to the people of this country for the privilege of furnishing them with transportation facilities, by which service this great country has been made the most prosperous in the world."

Hon. Mr. SCOTT — Is the hon. gentleman prepared to vouch for these figures; I mentioned the authority I gave?

Hon. Sir ALEX. CAMPBELL — The hon. gentleman from Londonderry has stated that he has examined *Poor's Manual* and finds these figures correct The hon. gentleman (Mr. Scott) should, I think, have been careful when making such a statement, to ascertain that his figures were correct. I sympathize with him in his annoyance at having made such an exaggerated statement. But I rose with reference to the definition of the word "capital." I did not think there was any difficulty originally. The hon. Senator from Richmond expressed the same opinion, but the Government became, very early in the course of the negotiations, and in the preparation of the charter of the Canadian Pacific Railway Company, aware that doubts were entertained by others on this point, and it was resolved that those doubts should be met. They afterwards received strong expression in Parliament. I think, in a case of this kind, I should be allowed to refer, though not strictly in accordance with the rules of the Senate, to what was said in another place on this subject, to show the very great stress that was laid on that which the hon. gentleman now says he cares nothing about — the meaning of this undefined word "capital." It was thought to be one of the most important features in the whole contract, one which, of all others, would be most open to abuse. One gentleman said in reference to it :—

"If this contract passes in this shape, the capital, no matter from what source — though it represents the money we have put in, and the money we are going to put in — is the capital spent on the whole of that undertaking called by the Act the Canadian Pacific Railway which is entitled to bear ten per cent. Call it $90,000,000, that is $9,000,000 direct profit. Call it $120,000,000 that is $12,000,000 a year before you can reduce tolls once established. It is contemplated they shall get ten per cent: interest. You make a provision that their rate of profit shall not be less than ten per cent. in effect so far as you can make that provision. Besides, you will fix these tolls, in the first instance, with reference to the larger running expenditure that will exist later. The Syndicate will reasonably say, 'fix a toll at a rate which will make the railroad pay under existing conditions.' You fix it, and once fixed you can never alter it until the day arrives at which the Company is getting $9,000,000 or $12,000,000 a year profit, after paying all the expenses of the road."

Another gentleman said : —

"That road is to cost, according to the estimate of the Minister of Railways, from $78,000,000 to $84,000,000, so that there will be $8,000,000 of money to be taken under that section, before the Government can step in and do anything to the contrary."

And another : —

"This provision, then, will authorize the Company to derive 10 per cent. profit from the whole amount expended on that road, if they do not spend on it $1, and they most assuredly will not expend one dollar. They thus get some $57,000,000 in cash, besides all the land. On that amount they will receive 10 per cent., the amount expended by the Government. Before the Government can interfere or arrange the tariff, the Company must receive 10 per cent. interest on the $80,000,000, or $8,000,000. It does seem hard that the Government should give $80,000,000 or more to construct the road, hand it over to the Syndicate, and then that Syndicate should realize 10 per cent. on it, when, in point of fact, they never expended on it $1. This is not fancy or fiction, but a fair, legal construction of the language. The Syndicate understands it thoroughly; and the Government have not condescended to give us their own views thereon."

Another gentleman said :—

"Under this contract the Company can charge just as much as they please, so long as the charge does not exceed 10 per cent. of the cost of construction —of the money which was given them with which to construct the road. If it were 10 per cent. on the money they themselves invest, it would be a different matter.

New, that was the view taken in another place by the Opposition there, and that was the view which was taken by the hon. gentleman himself, in his speech in this House. I will read from the Official Report : —

"Hon. Mr. SCOTT — The fair way in considering this Bill would have been to include the clause in it, and name what rates this Company shall be able to charge in the future, and we could then estimate what taxes the people settling in that country will, in time to come, have to pay. I regret very much that it is not here. It would, in my judgment, remove a very objectionable feature from this measure, and a good deal of my opposition to the proposition.

"Hon. Sir. ALEX. CAMPBELL — If it is in another bill is it not just the same?

"Hon. Mr. SCOTT — Will the hon. gentleman tell me what the protection to the public is to be?

"Hon. Sir. ALEX. CAMPBELL — I mentioned it to the House yesterday.

"Hon. Mr. SCOTT — The hon. gentleman said the Government would do what was fair.

"Hon. Sir ALEX. CAMPBELL — My hon. friend perhaps did not hear me. What I said was that in the new Bill a clause would be introduced to define the meaning of the word 'capital.'"

"Hon. Mr. SCOTT — Does that meet the objection?

"Hon. Sir ALEX. CAMPBELL — I shall be exceedingly gratified if it is so.

"Hon. Mr. SCOTT — I do not wish to appear to contradict the hon. gentleman, but, in my opinion, it does not meet the difficulty, unless you say that the amount of capital shall be considered entirely irrespective of what the Government of Canada has contributed, either in capital or lands.

"Hon. Sir ALEX. CAMPBELL — That is what it will say.

"Hon. Mr. SCOTT — I shall be exceedingly gratified if it is so.

Hon. Sir Alex. Campbell.

"Hon. Sir ALEX. CAMPBELL — Then you will support the Bill if it is so?

"Hon. Mr. SCOTT — I was extremely anxious to see that grave difficulty removed, and, as I said before, its removal will render the measure less objectionable to me. One of the main objections to the Bill would have been removed, certainly, if the rates were fair and reasonable, and based on the amount of capital.

"Hon. Sir ALEX. CAMPBELL — That will be made perfectly clear.

"Hon. Mr. SCOTT — I am glad to hear my hon. friend say so."

Hon. Mr. SCOTT — That is quite correct.

Hon. Sir ALEX. CAMPBELL — The hon. gentleman said in his speech in the Committee yesterday that he preferred the definition of the word "capital" as it stood originally, with all its doubts, although he himself and his friends had declared again and again, and made the strongest point which they had raised upon the whole Canadian Pacific Railway question, that the Company could exact eight or nine millions a year before the tolls could be reduced.

Hon. Mr. SCOTT — I am not to be held responsible for what gentlemen said in another place. I had no conversation with them as to what their views were, and I do not know what they said. Did I, after the hon. gentleman gave his statement, make any assertion whatever as to the possibility of a dividend on our subsidies? I did not. The hon. gentleman is not fair in his mode of controversy. I accepted his statement, and should be very glad to accept it now.

Hon. Sir ALEX. CAMPBELL — That I would define the word "capital" so as to exclude the subsidies given by the Government? I have done so, and now the hon. gentleman says he would prefer the language of the original clause.

Hon. Mr. SCOTT — The hon. gentleman has widened it.

Hon. Sir ALEX. CAMPBELL — I have not widened it in any way, but the hon. gentleman and his friends have been so anxious to find fault with everything done by the Government that they fail to show that degree of fairness, even in the construction of a contract of this kind, that one would expect to find from gentlemen occupying their position in public life. The word "capital" has been defined to mean, in the language of the present Bill, the sums contributed by the Company, to the exclusion of all subsidies, bonuses, and the debt of the Company. I ask anybody who reads that clause, does it not exclude the eighty or ninety millions that my hon. friend complained the Company would have to earn a dividend upon before the tolls could be reduced?

Hon. Mr. SCOTT — I made no complaint after your explanation.

Hon. Sir ALEX. CAMPBELL — The hon. gentleman said he would rather have the word "capital" as it was in the original measure. I think I can satisfy the Committee in a very few moments that there is no difficulty, or possibility of misconception with reference to this word. It will be seen that in the Bill before the Committee the word "capital" is described as "the paid-up stock and share capital of the Company, with interest added for periods during which no dividend is paid, to the exclusion of all subsidies, and bonuses, and of the debt of the Company." Then you must go back for the application of that word "capital" to the Canadian Pacific Railway Act, in which you will find it distinctly stated that the capital must be actually expended on the construction of the road. As pointed out by the hon. Senator from Richmond, you will find in the 20th clause of the Canadian Pacific Railway Act what is to be done with the capital, as it will be defined and explained. Take the two clauses together, and they read in this way: that, excluding subsidies and assistance from the Government, so much capital as is expended in the construction of the railway must earn ten per cent. before the tolls are reduced. The explanation of that is as plain and simple as it could possibly be. If I thought there was anything that could make the language less doubtful or more direct I would willingly adopt it, but nothing can be more plain, in my judgment, than the language of the Canadian Pacific Railway Act, when explained by the Bill which is now before the Committee. The former says that the capital shall be actually expended in the construction of the road; the latter declares that the capital shall be simply the money contributed by the Company. But the hon. gentleman points to the clause in the Canadian Pacific Railway Act, which enables this Company to deal with its capital stock in a manner that he thinks will interfere with the operation of the language to which I have drawn attention. The second clause is as follows:—

> "The capital stock of the Company shall be twenty-five million dollars, divided into shares of one hundred dollars each, which shares shall be transferable in such manner and upon such conditions as shall be provided by the by-laws of the Company; and such shares, or any part thereof, may be granted and issued as paid-up shares for value *bona fide* received by the Company, either in money at par, or at such price and upon such conditions as the board of directors may fix; or as part of the consideration of any contract made by the Company."

Well, let us suppose the Company makes a contract with the Ebbw Vale Company for steel rails, and pays for them with stock at 60 cents on the dollar, is there any reason why they should not? That does not affect the amount on which the dividend shall be paid.

Hon. Mr. SCOTT — Of course it does.

Hon. Sir ALEX. CAMPBELL — The amount on which the dividend is to be declared is the actual capital that goes into the construction of the road, and that can easily be arrived at. Suppose they sold their stock at 75 cents in the dollar, instead of the stock going into the construction of the road, it is the amount realized by the sale of that stock.

Hon. Mr. SCOTT — No.

Hon. Sir ALEX. CAMPBELL — It seems to me to be as clear as anything can be. It is provided that the calculation can only be made upon the capital that has actually been put into the construction of the road, and in the Bill before us we exclude all those things which were likely to have such disastrous effects, according to the language used by the Opposition in both Chambers. The suggested amendment of the hon. gentleman is framed in language that ought not to be used by a legislature at all. I cannot fancy anybody drawing an Act of Parliament would use such language. What is the language? This share capital shall be defined to mean "the net amount of cash, or money's worth." What is the "net amount of cash!" Cash is cash, and what is the amount is money's worth. Who is to ascertain that? It is not language, I think, which any draftsman would use. I cannot fancy any lawyer who now hears me, unless it be the hon. gentleman himself, using such language, and declaring by act of Parliament that something shall depend upon what somebody supposes to be money's worth. Another expression in the amendment is "bona fide expended on the best terms attainable." What can be meant by "the best terms attainable?" That somebody on some future occasion by some appliance we know nothing about, is to ascertain whether the contract made by the Syndicate with Mr. A. or Mr. B. was made on the best terms attainable, and whether they bought their rails for stock, or paid cash for them, or whether they should not have made better arrangements for transportation, and in a thousand other ways to ascertain whether their money was invested on the best terms attainable. That is the amendment which my hon. friend has introduced and which I hope the Committee will negative without difficulty. We cannot desire to say to this Company that they shall not use their $25,000,00 stock. In the first place, all outside of $25,000,000 is excluded absolutely. They must have a new bill before they can water the stock. Inside of the $25,000,000, the calculation is restricted to the amount that is actually expended in the construction of the railway, and they may get that amount in such a way as they please, by borrowing or dealing with their stock as they please, and, if they sell their capital, or part of it, to a steel company, or any other party, it is only fair they should have a right to do so, and that the amount should enter into the calculation before the tolls can be reduced. How otherwise could they sell it at all? No one would buy stock upon which there was no dividend. If they find it to their advantage, instead of calling up $5,000,000, to call up the whole $25,000,000 stock, and furnish stock at 20 or 30 cents in the dollar, to those who supply material for the railway, is it not their affair?

Hon. Mr. SCOTT — No, it is our affair.

Hon. Sir ALEX. CAMPBELL — Is it not their affair if they buy material which enters into the construction of the road? Was not the Grand Trunk Railway constructed on the principle of paying so much in money, and so much in stock? Railroad stock is seldom issued at par; it is generally below par, and if the Company dispose of their stock in good faith, for value which enters into the construction of the road, is it not fair and reasonable that they should be allowed to do so? But we have tied them down, in language plain and unmistakable, as close as a railway company could be tied, that they should not deal with the stock outside of the necessities of the railway, that it should not be given to their friends, or disposed of in such a way as to unnecessarily increase the stock, but only parted with for value and in good faith. We felt this difficulty originally, and we desired to define the meaning of the word capital. The company were willing that it should be defined. They did not desire to have $8,000,000 or $9,000,000, the enormous profits represented as possible by the Opposition. Their desire was to earn 10 per cent. on the money they actually contribute towards the construction of the railway before the tolls should be reduced. That has been carried out so accurately and clearly that I do not think, apart from the hon. gentleman's feeling of opposition, anybody could find doubt or difficulty in the construction of the clause. I feel very earnestly that the section as it stands deserves, as I hope it will receive, the approbation of a very large majority of this House.

Hon. Mr. SCOTT — I desire to ask one question. The hon. gentleman says the Company are only to get dividends on the money entering into the construction of the road. At the same time, he says they have a right to dispose of their stock at what rate they please. I will take this illustration: They want a certain amount of rails, for which they offer $1,000,000, stock, valued at $600,000. That $1,000,000 is part of their share capital. The manufacturer takes that stock and gives for it $600,000 worth of rails. Does the hon. gentleman mean to tell me that they cannot declare a dividend on the $400,000 in excess of the value of those rails?

Hon. Sir ALEX. CAMPBELL — No; because their value is what they have honestly cost.

Hon. Mr. SCOTT — These shares are transferable. The Company have no control over them after they are issued to the manufacturer. I maintain that the holder of the stock will be entitled to dividends on the face value of it, and not merely on the $600,000 which he paid for it.

Hon. Sir ALEX. CAMPBELL — No doubt.

Hon. Mr. SCOTT — The hon. gentleman contended the reverse.

Hon. Sir ALEX. CAMPBELL — The $1,000,000 will not be given for less than its actual value. We all know that their stock will not be worth par, or anything like it. The Company will not earn a dividend upon it for years, and why should they not have the right to dispose of it for less than par for materials required for the road? It is an ordinary every day transaction.

Hon. Mr. SCOTT — The hon. gentleman cannot deny my argument that they can allot their stock among themselves at any price they please.

Hon. Sir ALEX. CAMPBELL — I do deny it. They can only part with it in good faith for value received, as the Act provides in so many words.

Hon. Mr. SCOTT — They have the right to fix the price.

Hon. Sir ALEX. CAMPBELL — If they did that illegitimately; if they allot it among themselves, for instance, it does not go into the construction of the railway, and there can be no dividend declared upon it.

Hon. Mr. HOPE — The definition of the word "capital" here seems to be very clearly set forth; it is the paid up stock, the share capital, but when we come to look at the Pacific Railway Act, with regard to their share capital of $25,000,000, it says:—

"Such shares, or any part thereof, may be granted and issued as paid up shares for value *bona fide* received by the Company, either in money at par, or at such price, and upon such conditions as the board of directors may fix."

What is the meaning of that clause? Why, it is that they may call those shares worth ten cents a piece, if they please. They may issue them for a nominal sum to each other, so long as they get something for them; and when those shares are paid up, surely the hon. Postmaster General does not pretend to say that they would not be considered as shares that entered into the construction of the railway? He surely does not pretend to say that any number of shares they might issue within the $25,000,000 for a consideration — no matter how small — would not be counted as paid up capital of the Company, on which to base a dividend?

Hon. Sir ALEX. CAMPBELL — They do not go into the construction of the road.

Hon. Mr. HOPE — I am amazed at the contention of the hon. Postmaster General.

Hon. Sir ALEX. CAMPBELL — I am amazed at yours.

Hon. Mr. HOPE — Who ever saw paid up stock treated in the way the hon. gentleman has described? A clause of that kind might be necessary were we to see paid up stock given for improper purposes, but the Government shut the door and say: "No; the Company can give it on any condition they may see fit." I say, it is most extraordinary power to give to the directors of any great stock company, and this is a clause that ought to be amended.

Hon. Mr. REESOR — It does seem to me in the discussion of a matter of so much importance that leading legal gentlemen on both sides ought to agree at least as to the construction of this clause of the Bill that is now before us, and it is equally desirable that when such an agreement cannot be come to as to its true intent and meaning, that a new clause ought to be drafted, or that this one ought to be amended so as to make it perfectly clear. There can be no doubt it is the only check it is possible to exercise over this Company who are to be placed in possession of a territory equal in size to five provinces like Manitoba. I say that when a company is placed in possession of such an immense tract of real estate, with a free gift of the roads built by the Government at a cost of $35,000,000, and in addition to that a bonus of $25,000,000 in cash, there should be no doubt as to the power of Parliament to say when the tolls upon the road ought to be reduced, and to determine when a check may be applied with regard to the earnings of the road. There should be no doubt about it; it should be so clear that he who runs may read.

Hon. Sir ALEX. CAMPBELL — So he may if he likes.

Hon. Mr. REESOR — But they do not all seem to understand it. There is no doubt of this fact — the Postmaster-General admits it himself — that the Company may issue their shares as paid-up stock at any rate they please, at six, ten, twenty, or sixty per cent., or at par. They may dispose of that stock in any way they please. The second clause in the Act constituting this Company gives them the power to dispose of the stock on such terms as they may see fit, and to issue it as paid-up stock. Suppose they issue it at ten per cent., and they employ that ten per cent. in the construction of the road, they will conform to the conditions of the Act — there can be no doubt about it — just as much as though they had sold it at sixty per cent. or at par, and the holders of the stock could afterwards demand, as stockholders in the Company, their ten per cent. on the face value of their shares, with the interest added for the time that they had held it, before the Government could interfere to lower the tolls that might be charged by the Company. I have not listened to debates in Parliament for twenty years without having heard discussions as to the construction of clauses of Acts, in which the leaders of the Government and Opposition attached different meanings to the same clause of a bill that had been discussed perhaps for weeks; and afterwards have seen the Supreme Court set aside the opinions that had been expressed in the Legislature. We had a notable instance of it two years ago in the celebrated Divorce Bill that came before Parliament. Leading professional men on both sides of the House — in both Houses — declared that the Bill was not worth the paper on which it was written — that it was entirely unconstitutional; but after it was passed, the Judges of the Supreme Court quoted that Bill as an illustration of what the Dominion Parliament had power to do, and what the local legislatures had power to do, and declared that the Act was perfectly constitutional. Now, to-day, we find the hon. Postmaster-General, whose opinions I always listen to with very great respect, giving his opinion on this clause, but he may be as mistaken with regard to this matter as he has been mistaken in reference to other matters. We are all human, and are all liable to err, but it does seem with regard to these particular Bills, that if the two measures were drawn up on purpose to defeat the object that Parliament now desires to attain, they could not have been framed more completely to accomplish that purpose. In defining the word "capital," it must be remembered the Company are given extraordinary powers. The second clause reads as follows:—

> "The capital stock of the Company shall be $25,000,000, divided into shares of $100 each, which shares shall be transferable in such manner, and upon such conditions as shall be provided by the by laws of the Company, and such shares, or any part thereof, may be granted and issued as paid up shares, for value *bona fide* received by the Company either in money at par, or at such price and upon such conditions as the Board of Directors may fix."

Now, there it is just as plain as it is possible to be, that they have the power to issue that stock at any rate, and on whatever conditions they may see fit.

Hon. Sir ALEX. CAMPBELL — So long as they do it *bona fide.*

Hon. Mr. REESOR — But it is not necessary to be at par; all that the Act requires them to do is to employ the proceeds in the construction of the road, and they can issue the shares at any rate they please. Now, I say, where so much latitude is given to the Company, we should have such a definition not only of the word capital, as will prevent the possibility of fixing their tolls so high as to enable them to draw ten per cent. upon anything but the cash they have actually expended over and above all that they have received as subsidies from the Government.

Hon. Mr. MACFARLANE — That is what the Act specifies.

Hon. Mr. REESOR — What you claim for it will bear a different construction. When the Syndicate Bill was under discussion an amendment was suggested by myself that ought to have been introduced into that measure. I will just read the 20th clause, and my amendment as expressing what I believe would have covered the case, but which the House refused to accept. The clause reads as follows :—

> "20. The limit to the reduction of tolls by the Parliament of Canada provided for by the eleventh sub-section of the 17th section of "*The Consolidated Railway Act*, 1879," respecting TOLLS, is hereby extended, so that such reduction may be to such an extent that such tolls when reduced shall not produce less than ten per cent. per annum profit on the capital actually expended in the construction of the Railway."

To this clause I proposed to add the words. "After deducting all sums paid by the Government in cash, or its equivalent." If that had been added to the clause they would have been obliged to stand by simply what they had expended *bona fide*, in addition to all sums in the shape of subsidies granted by the Government. it was not accepted. It was believed hen by the House that a definition of the word "capital" might be sufficient, but we see now what it amounts to. The definition of the word "capital" is clearly insufficient, and the clause ought to be amended, or another clause framed in that shape, if not in the exact words. I do not see that there is any particular objection to the words of the amendment offered by the hon. leader of the Opposition, if we want to say what we mean, because if that amendment does not express it in the language the hon Postmaster General desires, it does convey the meaning that he puts upon it, and what we all agree to. I know that some hon. gentlemen run away with the idea that whatever other railways may have done, this Company can do no wrong; but they must bear in mind that, from the beginning, this Syndicate is provided with money to construct the railway. One hundred miles have already been constructed west of Winnipeg — or nearly constructed — at a cost of something like $1,000,000. This hundred miles of railway is handed over to the Company, and the million dollars is retained as the cost of its construction, and in addition to this they receive a million acres of land. The Company is entitled to more than a million, but a portion is, of course, retained until the whole contract is completed. All the Company have to do is to sell this million acres of land to secure enough money to place in the hands of the Government and go on and build the railway. When the next hundred miles are built the Company draw on the Government for anther million of dollars and another allotment of land. They are so completely provided for in their charter that there is no possibility of their losing anything. They need not use any capital of their own if they have a credit of a million of dollars, as they can get their check marked good, deposit it with the Government and go on. They can issue bonds on the railway completed by the Government and upon the lands, and the lands in anticipation, and when that is done they can issue bonds either upon the lands alone or upon the railway alone. Now, with all these moneys advantages, facilities and franchises that we are giving them — the lands, road bed and stations, free from taxation; having the right to take possession of harbors without limit, where is the risk? When the railway is completed to Fort William, they may take two or three miles of the harbor there and hold it, to the exclusion of anybody else. They can erect their own elevators upon their own land, defy competition, and have complete control of the commerce of the North-West. Possessing all these immense advantages, and having only this check on them, we should make that check beyond all peradventure as to its meaning. Then there is another consideration: These lands are worth far more than they are put in at to the Syndicate.

Hon. Mr. BOTSFORD — What has that to do with the Bill?

Hon. Mr. REESOR — I will tell the hon. gentleman what it has to do with the Bill; it has just as much to do with it as the arguments of the hon. gentlemen who sustain the Bill. They went in all directions and quoted authorities with regard to railway stocks in the United States, and even went so far as to say what former governments would have done if they had received such an offer as this, and contend that would have made just as bad a bargain. If other hon. gentlemen can use such arguments, I think it is quite in order for those who oppose the contract to do likewise. I have a right to point out such facts, in connection with the whole measure and with the Act, which this clause is intended to interpret, as will show the vast importance of having this clause clearly expressed. Now, I will read the amendment as proposed by my hon. friend opposite; certainly I do not see that it is either unreasonable or out of place, under the circumstances, to provide that: "The said word, capital, as used in the said subsection, meant and means the net amount of cash or money's worth contributed by the shareholders of the Company and *bona fide* expended on the best terms attainable on the construction, equipment and maintenance of the railway." It would be no harm to add that to the clause, and it would be an additional safeguard. But if the hon. Postmaster-General would prefer to postpone the further consideration of of this clause until Monday, and prepare a new one himself that would clearly put the case, and not leave it in the loose way it is at present—something that the whole House could agree to as being a fair protection to the public — it would be the proper course. Otherwise, I would say to hon. gentlemen, if we cannot have something better than the Bill as it is, we had better leave the Act without any attempt to define the word capital. Reference has been made to the small dividends paid to the shareholders by United States railways, and the advantage the public have had from them in low freights. I admit that the public have gained by them, but the public have paid for that advantage. As a proof that these railways do not pay large dividends to their shareholders, we have the authority of Jay Cooke quoted. But everyone knows the reason that the dividends are so small is that the stock has been watered in many cases to four times the amount of the money actually advanced for the construction of the road.

Hon. Sir ALEX. CAMPBELL — They are limited here to the amount expended on the road.

Hon. Mr. REESOR — Take the New York Central, for instance, which cost in the first place $40,000,000. It was sold to Vanderbilt for $80,000,000. Mr. Vanderbilt issued $80,000,000 of additional stock, expended $20,000,000 in improvements, and pocketed the balance. Not long after that a a strike was organized by the employes of that road for higher wages. Then the cry was raised by the shareholders, "we are only getting 7 per. cent. on our stock," but the stock had been watered three or four times from the time the road was constructed, and of course it could not be expected that the dividends should be so high. But the Canadian Pacific Railway Company can sell out their stock on any terms they please, and that stock then becomes the property of the parties who hold it, and they can demand 10 per cent. upon the whole amount at par before the Government can interfere to reduce the tolls.

Hon. Mr. MACDONALD — On the paid up capital.

Hon. Mr. REESOR —The hon.gentleman does not accept what his leader says. The Postmaster General says it is paid up capital, no matter if it sells at 6, 10 or 60 per cent.

Hon. Sir. ALEX. CAMPBELL — But it is to go into the construction of the road.

Hon. Mr. REESOR — The proceeds of the sale go into the construction of the road, and that is all the statute requires. If the bonds can be sold to parties who supply material for the road, they can be sold to the man who handles the spade in constructing it, or to anyone else, as there is no restriction. The Syndicate can sell it to each other as individuals, and hold the whole of that stock as paid up stock at 10 per cent. if they choose, and that 10 per cent. goes into the construction of the work. I am satisfied that that will be the final result, and the Courts will determine it can be done under the proper construction of the two Acts when they are fairly submitted to them. The Government are, no doubt, anxious to have their measures passed as they submit them to the House. That is very natural, but I do think they ought to be more anxious to protect the interests of the country, than to have an imperfect Bill passed, simply because they introduce it in this shape. They should consult the safety and welfare of the country, and the continued prosperity of the North-West, as well as other provinces of the Dominion.

The amendment was declared lost on division.

Hon. Mr. SCOTT gave notice that he would move it at another stage of the Bill, so as to have the yeas and nays taken.

Hon. Sir ALEX. CAMPBELL — I am informed that there is some doubt as to the meaning of the words "and of the debt of the Company." I am informed that it would apply in a way that the Committee does not contemplate to exist in railways, and I therefore move that the Committee rise and report progress, and ask leave to sit again to-morrow.

The motion was agreed to.

Hon. Mr. BUREAU, from the Committee, reported that they had made some progress with the Bill.

Hon. Mr. SCOTT moved : —

"To leave out the words 'be agreed to' and insert "and Bill referred back to a 'Committee of the Whole House, with instructions to amend the same as follows:

"'Page 1, line 9. — Leave out the words 'the paid up stock and share capital,' and insert the net amount of cash or money's worth credited by the shareholders of the Company and *bona fide* expended on the best terms attainable in the construction, equipment and maintenance of the Railway.'"

He said: Notwithstanding all the energy and earnestness that the leader of the Government infused into his arguments, I am still prepared to maintain that the view that I took in the first instance is the proper one, and I think I may leave it to disinterested readers and to the future to say that my interpretation is a true one. I have pointed out that there are extraordinary provisions in this charter, which are not contained in any other Act of Incorporation; that in the charter of the Company this share capital is not like the share capital of any other company; that, for at least ten years, no person can be admitted into this Company unless by vote of the Directors, who have the power to allot the stock among the existing shareholders. The shareholders may allot to each other the whole of the stock, and unless by consent of the Board of Directors, no foreign element can be admitted into the Company. That, I look upon as a dangerous innovation. If they received no aid from the country, they might be justified in the exercise of such power, but considering the large subsides which they are receiving from this country, I think there is no justification for giving such a franchise to this Syndicate. Taking that in conjunction with the second clause of their Bill at page 12, where the Directors have the right to fix the rate at which shares are to be allotted, they can allot the $20,000,000 of stock for any nominal sum they please. I say, and I say it advisedly, that this Company would be different from any other company in existence if they did not avail themselves to the fullest degree of any privileges that we give them. We hold out inducements to them to do a dishonest act. We give them such facilities for acting improperly as no other charter ever contained under similar circumstances, unless indeed a company going to construct a road on the basis of their own financial credit. This Company is constructing a road on the financial basis given them by the people of Canada, and they are allowed to declare a dividend in the future on the share capital they put in, and to increase it by $20,000,000, and are allowed to allot that share capital at any rate they please. Will any hon. gentleman say that the Company will not ultimately have the $25,000,000 on which they will be allowed to declare a dividend? No gentleman will assert that this railway, in completing its returns, will fail to declare a dividend on the whole amount of the $25,000,000. My hon. friend the Postmaster General, in a moment of candor, admitted the whole case when he said that in purchasing rails they might pay for them in bonds at 60 cents on the dollar. If they can do so in that case, they can part with the shares otherwise at less than par. The bonds must be taken at the face value in declaring dividends, no matter at what price they were sold. I state, with a full conviction of the correctness of my statement, that that Company will, in the future, have a share capital of $25,000,000; and I further state, with full belief in the accuracy of my statement, that that Company will not expend fairly or honestly $5,000,000 of their own money, or anybody else's, outside of what is to be given by this country. Therefore, you invite them at the start to have $20,000,000 of watered capital, on which the people of the North-West are to be taxed at 10 per cent. I should rather let the original Bill go than have this Bill in conjunction with the second clause of the Company's charter, which allows them to allot this capital at any rate they choose to fix. I shall say no more on the subject further than to maintain that my view is the true one, and that my arguments are not overstrained. It may be that Judge Black was wrong in the figures which he gave. I did not vouch for them, and I merely mentioned them as evidence in support of my argument. It is quite evident that they were exaggerated. How is it possible to prove that the money realized from the bonds went into the construction of the road? After the stock passes out of the hands of the Company the holder will be entitled to draw a dividend on its face value, even if he got it at 5 cents on the dollar.

The House divided on the amendment which was rejected by the following vote: —

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BILLS INTRODUCED.

Bill (66) "An Act to extend the Act establishing one uniform currency for the Dominion of Canada to the Provinces of British Columbia and Prince Edward Island." — (Mr. Aikins.)

Bill (60) "An Act to incorporate the Don River Improvement Company." — (Mr. Allan.)

Bill (54) "An Act to amend the Act of Incorporation of 'The Accident Insurance Company of Canada,' and to authorize the change of the name of the said Company to 'The Accident Insurance Company of North America.'" — (Mr. Ferrier.)

Bill (15) "An Act to incorporate the Metropolitan Fire Insurance Company of Canada." — (Mr. Vidal.)

Bill (35) "An Act to incorporate the Silver Plume Mining Company." — Mr. Bellerose.)

Bill (44) "An Act to incorporate the Association known as J. Winslow Jones and Company, Limited." — (Mr. Reesor.)

The Senate adjourned at six o'clock.

THE SENATE.

Friday, March 4th, 1881.

The Speaker took the chair at three o'clock p.m.

Prayers and routine proceedings.

THE CATTLE EXPORT TRADE.

EXPLANATION.

Hon. Sir ALEX. CAMPBELL — I am glad to see my hon. friend from Amherst in his place, as I wish to lay before the House some information in reference to a question which he asked a few days ago. My hon. friend had been informed that an Order-in-Council had been made in England, which injuriously affected the cattle trade of Canada, and I see the same subject referredto in a newspaper which reached here yesterday, which accused the Government of want of attention to this very important interest. In that connection, I desire to read a telegram which was sent by the Minister of Agriculture to Sir Alexander Galt on the day upon which he heard the report. The cable is as follows :—

> "Cable to Sir A. T. Galt,
> "4th February, 1881.
>
> "Reported Privy Council order, slaughter Canadian cattle within six days. If true, Canadian trade ruined. See authorities.
> "(Signed), POPE."

This reply was received on the following day :—

> "Cable to J. H. Pope,
> "5th February, 1881.
>
> "Telegram in *Times* to-day from Montreal, mentioning alleged new order requiring slaughter of cattle on landing. Privy Council say no such order issued or contemplated against Canada.
> "(Signed), GALT."

I see in the paper to which I have alluded that the order is said to be against Lancashire, and that it relates to the foot and mouth disease, and includes the whole of that county. If that be the case, and the Government have no information from their agent in Liverpool to that effect, it would operate against all cattle landing in England at Liverpool. They would only come under the regulation as applied to Lancashire. I have had a letter placed in my hands also, upon the same subject, from the agent of the Department in Liverpool, dated on the 10th of February, three or four days after the alleged Order-in-Council was issued. The agent concludes the letter, which is addressed to the Minister of Agriculture, as follows :—

> "I may inform you that I have kept myself informed as to matters affecting our interests, and the temporary closing of the markets here is not calculated by our leading salesmen to permanently injure our trade."

Altogether, it may be inferred that the Order-in-Council which has been issued, if any has, is against the foot and mouth disease, and is applicable only to the county of Lancashire, but as Liverpool is the great market for Canadian cattle, it may affect injuriously Canadian interests. I think the hon. gentleman from Amherst mentioned the other day that it was in London that the Canadian cattle were met by this Order-in-Council. So far as I can ascertain no Orderi-n-Council has been issued, or is contemplated, affecting Canadian interests at the port of London.

Hon. Mr. DICKEY — I am very much obliged to my hon. friend for the trouble he has taken in this matter, but I am sorry to say the information I have shows that the difficulty still remains that I mentioned before. The export of cattle that I referred to took place in the steamer *Edinburgh* going to London, and on arriving in London, as I have been informed — and I have a letter from one of the shippers to that effect received only yesterday — they were met in London by an Order-in-Council, requiring all cattle to be slaughtered within six days, on the spot, after they were sold.

Hon. Sir ALEX. CAMPBELL — Where did that ship sail from ?

Hon. Mr. DICKEY — From Halifax.

Hon. Sir ALEX. CAMPBELL — Not touching at any other port ?

Hon. Mr. DICKEY — She came from an American port first, and took in between 400 and 500 head of cattle — all Canadian cattle, as I understood — at Halifax, for the port of London. The Order I refer to is a General Order, applicable, as far as I understand, to Irish cattle as well as to Canadian cattle. The effect of the Order is that the cattle must be sold within six days, and slaughtered. The practical effect of it is just this: heretofore the trade has been conducted in this way: On the arrival of vessels at London, Liverpool or Glasgow, with cattle from Canada, the cattle were purchased in the market, not only by local buyers, but by buyers from Manchester, Wakefield, Leeds and other large towns in England. The consequence was there was competition in the market and good prices were realized; but the effect of this order is to place the cattle importers entirely at the mercy of the buyers in the district where the ship arrives, and the result, in this particular instance, was that the owners of the cattle were obliged to have their animals slaughtered immediately, and to take whatever price they could get at the port of arrival. That is the information I have, and it is my intention to ask for more particular and definite information on the subject.

Hon. Sir ALEX. CAMPBELL — I hope the hon. gentleman will do so in the interests of the public, and will also ask whether there were any cattle on this ship from the United States, or whether there had been any American cattle on this ship at any time within the previous three months.

Hon. Mr. DICKEY — The information that I have at present is that all the cattle were Canadian.

Hon. Dr. BROUSE — What is the date of the telegram received?

Hon Sir ALEX. CAMPBELL — The 5th of February.

Hon. Dr. BROUSE — It was on the 9th of February that I called the attention of the Government to the same question.

Hon. Sir ALEX. CAMPBELL — The letter which I read the extract from is dated on the 10th of February. Of course my hon. friend from Prescott called attention to it, as there was a telegram dated the 5th of February showing that no such order was issued or contemplated, and as Sir Alex. Galt was on the *qui vive* about it, we took it for granted that if anything of the kind occurred, he would advise us of it.

Hon. Mr. READ — I dare say that this House hardly appreciates the vast proportions that our cattle trade with Europe has assumed, and the importance to this country that Canadian cattle should get into England without being scheduled. Last year alone the increased price that was obtained for the cattle we shipped, 50,000 head, was not less than $800,000. I am within the mark when I place it at that amount, and I am so informed by those men who are engaged in the trade, and who thoroughly know the circumstances. £3 or £4 a head is about the average price that Canadian cattle sell for more than American cattle of the same weight and quality. Hence the Government must be aware of the great importance of looking after this vast interest, which is as yet in its infancy, but which last year returned to this country nearly $5,000,000. I am glad the Government have shown themselves, as they have always been, alive to the importance of this trade.

CANADIAN SILVER COIN.

MOTION.

Mr. HOPE moved:—

"That an humble Address be presented to His Excellency the Governor General praying that His Excellency will be pleased to cause to be laid before this House the following information:—

"1st. Statement of the quantity of Canadian silver coin issued by the Government of Canada, from the 1st July, 1867, to 1st March, 1881, specifying the quantity issued of each denomination of coin of fifty, twenty-five, ten and five cents, respectively.

"2nd. The price paid for pure silver bullion or silver of Royal mint standard, at the date of each new issue of silver coin

"3rd. The quantity or weight of pure silver or silver of Royal mint standard in each of the respective coins.

"4th. The cost to the Government of the respective coins, and the percentage of profit or *seigniorage* retained by Government on silver coinage."

He said: In moving for this return I will embrace the opportunity of making some remarks with regard to the subject generally. I think it is necessary to go back to the origin of silver coinage. From the year 1257 to 1664, the value of gold was regulated by royal proclamation, and the quantity of gold, and the equivalent for which it could be exchanged in silver was thus fixed. That was the rule at that early period; the one governed the other. From 1664 to 1717 silver was the only legal tender in England, and gold was a commodity which was regulated by the market price of the two metals. From 1717 to 1816 the ancient practice was revived, and both metals became a legal tender, and the guinea was made equivalent to twenty-one shillings, English money, and it continued that way, the two metals as legal tender, from 1717 to 1816, when a complete change took place. Under an Act passed in that year, the pound weight of silver was coined into 66 shillings in place of 62 shillings as formerly. This reduced the intrinsic value of silver coin, and gave the seigniorage or duty to the Government of 4 shillings on the pound of silver metal coined into 66 shillings. In order to prevent the silver coin from becoming redundant the Government retained the coinage in their own hands; that is to say, if a person went with a bar of silver to the Mint he could not get it coined into silver currency—unlike gold. If a person carried a bar of gold to the Mint, they would give him its weight in sovereigns. The Government having the coinage of silver in their own hands, of course it became a mere subsidiary species of change. Previous to 1816, when silver became intrinsically more valuable than gold, people having to export coin, would take silver coin, melt it and export it, and the people were put to great inconvenience for the want of silver coin. After 1816, when the pound of silver was coined into 66 instead of 62 shillings, the intrinsic value of silver was 6 14-31 per cent. less in value than the gold sovereign, hence there was no disposition to export the article, and it remained in the country just as a mere silver token for small exchange, and for carrying on the ordinary business of life. Under these regulations the system has worked remarkably well. In 1853 the Act of 16th Vic., chap. 158 was passed here, under the charge of the Finance Minister of the day, and provided for silver coins being struck at the Royal Mint, bearing the same relation to our gold or currency dollar that the silver coins in England bear to the British sovereign, and, in fact, just adopted the English system of silver currency. However, unfortunately for us, the Government did not carry that Act into effect. The Act, although passed in 1853, was allowed to lie dormant, except the coinage, a few years afterwards, of some 20 cent pieces, which were not suitable to the wants of the country. Had the Government of the day vigorously gone to work and supplied the country with silver currency, in accordance with that Act of Parliament, we would not have been subjected to the loss and annoyance of what was called the silver nuisance, which occurred during the late American civil war. However, there was nothing done. The next Act that was passed was 34 Vic., chap. 4, which has ever since regulated the silver coinage as well as the gold coinage, if we had any gold coin, of Canada. Under that Act a coinage has been introduced into Canada, and but for that, I do not believe we should have got rid of the silver nuisance to this time. It fact, it was that which removed it—getting currency of ou own. It has worked remarkably well. We all know the way in which American silver became so redundant in this country. It originated in this way: in 1853, the silver half-dollar of the United States was reduced in value; in other words, they adopted the British system that had been in existence from 1816. They were almost compelled to do it, because, up to that period, whenever silver became intrinsically more valuable than gold, it was swept out of the country to pay debts in China and other countries, and hence they adopted the British system. During the war, and with a suspension of specie payments when our people had a debt to collect in the United States, and were offered gold for it, they would say: "Why not take silver? we will give you 105 for it." The people of this country, supposing it was the same silver they had been accustomed to use from time immemorial, accepted it at its face value. I saw an article in a newspaper, that I have cut out, and with the permission of the House, I will read it. The article is as follows:—

"AN INTERNATIONAL COINAGE CONGRESS.

"A Washington special reports an interview with General Warner, of Ohio, concerning the proposed International Coinage Congress. Warner says Germany, Spain, and all the Latin

Union Nations, have accepted an invitation to attend the Congress in Paris on April 19th. The two main propositions to go before the Convention are: first, unlimited coinage rate, 15½ silver, 1 gold; second, silver coins to be unlimited legal tender."

If this is carried out in the United States, there will be nothing but silver current there, because at the present price of gold and of silver, it is equal to 1 to 17.95, or nearly 1 to 18, and they want to bring it back to 1 to 15.50, the old standard. Silver has fallen so much in value that every body would pay their debts in silver. It is not the American Government that is so much in favor of this change in silver as the owners of silver mines who wish to force their views on the Government. It looks very much like it in this case, when they propose to make the respective values of gold and silver 1 to 15.50, which would be absurd. It would make silver the one standard value in the United States. We should be on our guard against having anything to do with anything of that kind. I think the British system is the correct one, and that we should keep silver subordinate to gold, just as we keep copper subordinate to silver; and that we should not follow the wild project of the Bonanza people in the United States, or on the Continent of Europe, but stick to what we have been doing—that is, following in the footsteps of Great Britain. To show how conservative the feeling is with regard to the coinage in England, I may mention the fact that a pound Troy of silver metal, of which English coin has been coined, has had the same standard of purity, viz: 11 oz., 2 dwts. of pure silver to 18 dwts. of alloy, from the Conquest down to the present moment, except for an interval of sixteen years in the reign of Henry VIII. and Queen Elizabeth; and I think they are quite right in entertaining that conservative feeling. I might make a remark with reference to the Act which was passed in 31 Vic., chap. 45, and subsequently repealed, with reference to gold coinage. At that time there was a Gold Congress held at Paris with a view to adopting a uniform coinage, taking as the basis the 25-franc piece of France and the United States were to adapt their $5 gold piece to the 25-franc piece of France, and they wanted England to adopt the same basis for the sovereign, but England did not go into that congress, but after investigating the matter it was found that the 25-franc piece was a local coin of France, and the $5 gold piece was only a local coin of the United States, whereas the sovereign was known all over the world, and they said it would never do to tamper with the value of a coin so universally known, and the proper course would be rather to assimilate other coins to the sovereign than to adopt the converse rule. I think it would be just as well with regard to the proposition in the United States about altering the relative value of our gold and silver, or assisting in any way to carry out the schemes of those who have great bonanzas in that country to stick to the system that has worked so well hitherto. I thought it would be well to have these returns brought down, because they would be useful for reference in future years, and we could see the progress that is making with regard to the introduction of silver currency in Canada, and that it would be interesting if we could place it before the people to let them see what we have been doing in that respect. I remember a certain Board of Trade in the western part of the Province had a long correspondence with the Finance Minister on this subject some years ago, and stated what they thought would be necessary to get rid of American currency. The Finance Minister of that day, although one of the best authorities on the subject, seemed to think the amount of coin that the Board of Trade thought would be required in the country was altogether exaggerated, but from the various issues of silver coin that I understand have taken place since then, it would seem that the suggestion of the Board of Trade was not so far out of the way as was then supposed. There is another point that comes up: the value of silver bullion has fallen from about 60d. to the ounce, to 50d. I see in the last English quotations that it is worth 51½d. per ounce. That must give the Government a profit of about 10 per cent. on silver coinage. I do not object to that. In fact it is well they should have an ample margin not only to pay for the coinage, an he expense of distributing throughout the country, but also to cover the redemption of coin whenever it becomes defaced, old and worn. Of course the Government has to assume the responsibility of replacing coin that is thus worn or mutilated. It has been remarked that there is no provision in an Act of Parliament to warrant the Government in doing that. But then they are following in the footsteps of the British Government, as governed by the Act of 1816. Our Currency Act is based upon that legislation, and as the British Government redeem all the worn out, defaced and mutilated coin, our Government should do the same in this country. Some of our currency is beginning to be mutilated by mischevious persons, and the Government is put to the expense of redeeming it from time to time. But the profit on the coinage is ample to cover that expense.

Hon. Sir ALEX. CAMPBELL — There is no objection on the part of the Government to the Address. I am only sorry that I cannot follow the hon. gentleman in his discussion on this subject. It is one that I am, unfortunately, not so familiar with as the hon. gentleman is. The papers will come down, and if he then thinks it desirable that a discussion should take place on the subject, I will study the report, and endeavor to assist him in elucidating any point that he has in view.

The motion was agreed to.

POSTAL IRREGULARITIES.

AN EXPLANATION.

Hon. Sir ALEX. CAMPBELL — Before the Orders of the day are called, I beg to reply to a question put by the hon. member for Hopewell with reference to delays in the transmission of mails in Albert County. The hon. gentleman said they had been detained for a number of days by snow storms, and no arrangements were made for conveying them in any other way than by train. I find that to be substantially the case except in this respect; that the various postmasters have authority to employ waggons or sleighs, as the case may be, whenever necessary, but the truth is they did not employ sleighs, and the mails were delayed because the trains were blocked up. A telegram that I sent yesterday to the inspector has resulted in his going down to the county to which the hon. gentleman alludes, and he reports that the obstructions have been cleared away and the trains are now running. I have no doubt, when I get the report from the inspector, it will be found he has taken all necessary steps to secure the public against such inconvenience in the future.

CONSOLIDATED RAILWAY ACT AMENDMENT BILL.

THIRD READING.

The Order of the day having been called for the third reading of the Bill (N.): "An Act to amend 'The Consolidated Railway Act, 1879,'"

Hon. Sir ALEX. CAMPBELL said: When this Bill was in Committee I said that a question had been raised by some companies in this part of the Dominion as to the use of the word "debt" in the first clause. It was intended to be applied more particularly with reference to the position occupied by the Canadian Pacific Railway, but I saw after the matter had been explained to me that it may have an effect, not contemplated, upon other companies, and, therefore, to remove the difficulty, I beg to move the following amendment:— To strike out the words "of the debt of the Company," and to insert "of any debt of the Company contracted on the pledge thereof, or of any part thereof." That would have the effect of preventing any untoward results as regards other railways that constructed their roads on money raised by bonds and debentures — by means of debts, in fact, which have been contracted.

Hon. Mr. SCOTT — I think it would have been better in submitting an important amendment of this kind, to have allowed the Bill to stand over for a day or two, in order that we might see its bearing upon this Bill. Assuming that its effect is as the hon. gentleman has stated (and, of course, I do not doubt that his view of it is correct, because he has given the subject consideration), it leaves the Company, to which reference has been made in this debate, in this position: They cannot only declare a dividend on their $25,000,000 of share capital, but can declare a dividend on some $54,000,000 in addition.

Hon. Sir ALEX. CAMPBELL — Oh, no. If that is the effect, it is not the intended effect.

Hon. Mr. SCOTT — If the hon. gentleman will turn to the Company's charter, he will find that in making a financial arrangement for the construction of the railway, they may adopt any one of five different schemes, and in some cases may adopt two conjointly. They may take their subsidy as earned, and issue land grant bonds to the extent of $25,000,000 or they may take their cash subsidy as earned, and take a deed of their lands as earned, or they may proceed under what is known as clause *d* on page 7 of the Pacific Railway Act, utilizing the 25,000,000 acres of land for the purpose of floating an issue of bonds secured on the lands and railway, the $25,000,000, being utilized in the payment of interest. In my judgment, that will justify an issue of $60,000,000. This is a matter somewhat abstruse, and I should not be prepared to urge at this moment, that with the clause altered in this way, they would be able to pay any portion of the $60,000,000 of debt out of what might be called dividend account. I express no opinion, because it is a matter for consideration and comparison of the several passeges in their own charter and in the general law. There is another course which they may adopt. It will be found in clause 28 of their Bill, page 27. They may issue land grant bonds for the $25,000,000, and may also issue bonds to the extent of $10,000 a mile, secured on the railway. I assume there is no doubt that in the event of that issue being made, the earnings of the road would be applicable to the payment of interest on these bonds. That would be a bond debt as much as the debt of other roads contracted under precisely similar circumstances. They have the power under the clause to which I have referred, of issuing, in addition to $25,000,000 of bonds, secured on the land, bonds secured on the railway itself, exclusive of the lands, there being this saving clause, that until they have earned the contribution of Canada — that is the railways that we furnish them — our contribution is not included in their security. They may insert it in their mortgage, but in the event of default taking place before the tenth year, it would not form security to holders of these bonds. The holders of the bonds, in the event of default (which is a contingency I do not foreshadow or see the possibility of), would not have that security. The portions of the road given by Canada are not included in the mortgage to the trustee in security of this debt of $10,000 per mile, which, as hon. gentlemen know, will amount in the aggregate to $27,000,000, in addition to the $25,000,000 of share capital, that in my judgment they can obtain a dividend on if the earnings of the road will allow it, of 10 per cent. before the power of Parliament or of the Governor in Council can come into play to diminish the tolls. The Governor in Council and Parliament will not be able to reduce the tolls until the earnings of the road are sufficient to give the Company under this clause interest at 10 per cent. on $52,000,000 in addition to our contributions. Then there is still another course. Under clause 28, page 22 of their Bill, provision is made in the first part of the paragraph for the issue of bonds to the extent of $10,000 per mile secured on the railway itself, irrespective of the issue of $25,000,000 secured by mortgage on the lands. The clause ends with these words :—

> "And if the Company does not avail itself of the power of issuing bonds secured upon the land grant alone as hereinafter provided, the issue of bonds hereby authorized may be increased to any amount not exceeding twenty thousand dollars per mile of the said Canadian Pacific Railway."

Now, it is perfectly clear that the Company may at any time within the next twenty years issue $20,000 per mile on their entire line of railway. Whether that would be 2,700 miles or the 2,000 miles that they build themselves, I am not prepared to say. If they will have earned the railway we allot them, then, I think, they will be entitled to issue bonds on the larger mileage. That is, I think, the spirit and the intention of the clause. That would authorize them to issue bonds to the extent of $54,000,000 secured on the road; or, if on the 2,000 miles only, then it would be just $14,000,000 less. But I am inclined to think that the reading of the clause is that they would have the larger powers. It is a matter of only $14,000,000, however, in the whole amount they are entitled to. Assuming that they adopt that line, they would be entitled to bond that road for $54,000,000, and they would be entitled also to the allotment of their share capital of $25,000,000. The two figures together would amount to $79,000,000. If they should exercise that power as they may under the law in the event of their adopting the course that this clause permits them to follow, they would have to be in receipt of dividends at 10 per cent. on $79,000,000 before the Governor in Council could interfere to reduce the tolls on their road. Of course we have got to consider in the question of their earnings, the running expenses of sixty to seventy per cent., or whatever they may be. The Company may not do all this; I am pointing out what the clause of the law will permit.

Hon. Mr. MILLER—All those things are part of the subsidy.

Hon. Mr. SCOTT — I beg my hon. friend's pardon, I am not alluding to the subsidy. I do not desire to go as fully into this as I probably would were the Bill not at its present stage although in my judgment it is the most important subject that this Senate has ever had before it, and it will probably be very many years before this House has an equally important subject to consider. I do not, therefore, think it is one of those measures that should be allowed to pass from our control until, at all events, we thoroughly understand it, and I wish to show how this Bill, restricting, as we believe, the word "capital," is going to affect the charter of the Company. As it stood before, excluding the subsidies and the debts of the Company, there was some doubt, probably a very strong doubt, that they would be entitled, in the event of their creating a fictitious debt, to raise their tolls to such a degree as to give them dividends on the amount of bonded debt which they might issue. As the leader of the Government has now altered the clause, he restricts it simply to any debt of the Company contracted on the subsidies we furnish them. They are not deterred from pledging our contributions; they may pledge them, but they are not a security to the parties who take the bonds, unless the road has passed from our control, when they can do anything they like with it. In the meantime they can mortgage it, but, in default, the mortgagees would not be entitled to sell the portions of the road that we contribute. Under the proposed amendment it makes it very clear they can pledge the bonds issued on the lands of the Company. I, myself, had not the slightest doubt that they could not do that, and while this interpretation, no doubt, benefits the Company, it would not have been proper to have allowed this Bill to go in the condition it was before, because we know that nine-tenths of the railroads in this country are really built with the proceeds of bonds. We have not half a dozen roads in this country that have been built on the basis of share capital. Our roads, as a rule, are built, in the first place, on municipal bonuses; the roadbed itself is pledged and put under a bonded debt, and these bonds are sold for the best figure they can command, and the proceeds go to complete the railway. Under this clause the holders of the bonds might have been precluded from receiving their fair share of the interest out of the earnings of the road. It only proves what I have urged over and over again, that the circumstances of the Canadian Pacific Railway are peculiar to itself; that we have no other railway charter like it in this country, and it would have made it infinitely clearer in framing this charter to have introduced these special clauses, defining what their rights and powers are, rather than bring them under the general law which is applicable to railways constructed under an entirely different condition of things. For instance, as this Bill stood, the holders of all the Grand Trunk Railway bonds would not be entitled to claim their interest on the bonds, out of the earnings of the road, and this House did not contemplate that that was the effect that should be given to the clause, as it was. It is another proof of how unfortunate it was when we had the charter before us, that we did not incorporate in it the special clauses through which the Act should be interpreted. We are going to interpret it now through the general law, and we find in framing the clause it is utterly impossible to apply similar language to the Canadian Pacific Railway, and to railways constructed on an entirely different basis. Now, I will be met with the argument that I am straining the law. I maintain that I am not. I will be told that the Company can only get a dividend on the money that has been expended by them on construction account, but I have yet to learn that the Legislature of Canada, or of any other country, after once giving powers to a company has, by a court of inquiry or any other means of investigation, learned how the money was raised, what the value of the lands was and how the proceeds were expended. It is just one of those things that are entirely beyond our control or prerogative, except by special act of Parliament. This Company can allot their capital for any nominal sum they please, and it is a *bona fide* transaction. My hon. friend opposite has admitted if the manufacturer who furnished the steel rails took a million dollars of the share capital at 60 per cent. he was justified in getting his dividends on a million. I think it must be obvious to everyone that that share capital, once it is issued by the Company, represents in the hands of whoever possesses it what it has on the face of it, not what the Company receives for it, and it would be utterly impossible that you could trace through a dozen different hands the amounts that were paid at the time that stock was issued. There are several ways under which the Company can build this railway. I am not prepared to say what system they will adopt, or what plan will be most remunerative to themselves either immediately or prospectively, but I feel it my duty to point out to the House that if they exercise their right to issue a bonded debt on that road they can swell the sum up to $79,000,000. From the short period that I have been able to look into this matter, I am not prepared to say whether they will be debarred from issuing $20,000 a mile on the 700 miles we contribute, but they will be able to do it on the 2,000 miles that they may have to build themselves before the Government of this country and Parliament could step in and control the tolls of the road. It is very unfortunate that these restrictive clauses were not introduced at the right moment, and I think the Parliament of Canada that has adopted this legislation will, in my judgment, be pretty severely criticized when the history of this period of the country comes to be written.

Hon. Mr. DICKEY — Before proceeding to reply to the remarks of the hon. gentleman who has just resumed his seat, I may be pardoned for reminding the House that on a former occasion, on the second reading of this Bill, I ventured to make a suggestion to the hon. leader of the Government, who has charge of this measure, in reference to the amount of maximum percentage before railway tolls could be reduced. As we were dealing with the clause that fixed the percentage and were proposing to amend it in certain particulars, I suggested that we should take the opportunity to make the percentage in that Bill conformable to the lower percentage in the Pacific Railway Bill. I must confess to a feeling of disappointment that that suggestion, which was received without dissent by the House, was not accepted by the hon. leader of the Government, especially as he raised no objection to it at the time, and stated that he would consult his colleagues.

Hon. Sir ALEX. CAMPBELL — I may inform my hon. friend that I did bring the subject under the notice of my colleagues, and we would have adopted the suggestion but for the fact that those other companies all have their charters upon the condition that they may allow 15 per cent. — that the clause reducing the tolls shall not come into force until they get their 15 per cent.; therefore we could not fairly change that without having an opportunity of consulting with the different railway companies who may be said to have issued their bonds on the good faith of the Legislature that they might go on accumulating money until they had 15 per cent. on their investments. I consulted with the acting Minister of Railways and the Chief Engineer on the matter, and we could not take the responsibility of altering it until we had consulted these companies.

Hon. Mr. DICKEY — I am rather surprised at the announcement made by my hon. friend, but still more surprised at the reason given for it, when I recollect that we are legislating in this very Bill to affect the rights of all persons who have obtained charters for railways in the Dominion since 1867. We are altering their status altogether with regard to those important points of capital and bridges. We are undertaking to declare by legislation that this word "capital" means and meant what is expressed in this clause.

Hon. Sir ALEX. CAMPBELL — My hon. friend will remember that this has always been the general acceptation of the term; it is only because the doubt has been raised here that the interpretation clause is introduced.

Hon. Mr. DICKEY — There may be something in that; but if so we are certainly legislating very unnecessarily, because if it was quite clear that that was the meaning of the Act, there was no necessity for this amendment. My hon. friend, the ex-Secretary of State, and the hon. member from Kings yesterday stated — and it was in entire conformity with their argument through the discussion of this Pacific Railway Bill — that there was no probability whatever of this Company being obliged to raise any amount of money beyond, at all events, something like $5,000,000.

Hon. Mr. SCOTT — Hear, hear.

Hon. Mr. DICKEY — My hon. friend says "hear, hear," and yet he is endeavoring to blind the House to-day to the real effect of this clause as amended. He has told the House to-day, and has held it up as a bugbear, that the bond capital of the Company would be something like $79,000,000.

Hon. Mr. SCOTT — Bond and share capital.

Hon. Mr. DICKEY — He contends that $79,000,000 is the amount upon which this 10 per cent. is to be calculated, and yet his argument has been throughout that this was such a good bargain, that those lands were so valuable, and the whole undertaking was going to be such a great boon to the Company that they would only require, at the utmost, to raise something like $5,000,000. But now the position is entirely reversed.

Hon. Mr. SCOTT — No, no.

Hon. Mr. DICKEY — I contend the hon. gentleman has put the matter in an entirely different shape now before the House, and we are told that in this clause of the Bill the percentage can be calculated upon a capital of something like $79,000,000. That is my hon. friend's contention.

Hon. Mr. SCOTT — Hear, hear.

Hon. Mr. DICKEY — I wish to show my hon. friend, from the language of the clause itself, not less than from the language of the amendment he himself proposed, that neither this clause nor his amendment touches the question of money raised on the bonds. The words in the original Bill are "capital actually expended;" the words in the Canadian Pacific Railway Act are the same: "Capital actually expended in the construction of the work." My hon. friend may derive some consolation from this reflection, that the whole capital stock of the Company is limited to $25,000,000.

Hon. Mr. SCOTT — Their share capital.

Hon. Mr. DICKEY — No matter what course they take in raising the money, the charge upon this country for the percentage on the cost cannot exceed 10 per cent. on the $25,000,000 of share capital.

Hon. Mr. SCOTT — Wrong, wrong.

Hon. Mr. DICKEY — That is the position I take. Yesterday the hon. gentleman was driven to use this argument, and the hon. gentleman from Kings followed him — that those shares may be sold for 6c. or 10c. on the dollar.

Hon. Mr. SCOTT — I said that the Company could allot the shares among themselves, or their friends, at that rate; but I said they would get value on the market.

Hon. Mr. DICKEY — It comes to the same thing. But, if they can part with those shares at 6c. or 10c. on the dollar, how is this road to be built apart from the lands and money subsidies which are excepted in this clause? I will now discuss the amending clause of the Bill before us. The words are that the capital shall be defined to be "the paid up stock and share capital of the Company." Not a word about bonds there, or monies raised by bonds, and, so far as that goes, I really do not see why, in all fairness, the Company should not be allowed to have their percentage on the debt they raise by means of those bonds that they sell for the construction of the work. But it is sufficient for my purpose to show that by the words of this amendment the money raised upon the bonds is excluded, whatever may have been the construction of the words "capital actually expended" in the original Act. There is no provision that any part of them shall be taken into account in fixing the 10 per cent. The words are "the paid up stock and share capital of the Company"—thus confining it expressly to stock and share capital. Now, what is my hon. friend's amendment? It is that the net amount of cash and money's worth contributed by the shareholders of the Company and *bona fide* invested —

Hon. Mr. SCOTT — That is a mistake. The word "invested" should be "expended."

Hon. Mr. DICKEY — Well, say it is "expended on the best terms attainable in the construction, equipment and maintenance of the railway." My hon. friend's amendment to the Consolidated Railway Act proposes to confine it to money "contributed by the shareholders," not to monies raised by sale of bonds of the Company, and, of course, that is limited to $25,000,000. It is expressly limited to that, and I want to show the House that this amendment was open to the criticism of the hon. Postmaster General yesterday, and that its language made confusion worse confounded, because, from its occult meaning it did not meet the case at all, as presented to-day. It did not meet the arguments presented by my hon. friend to the House to-day, when he says that these $75,000,000 of bonds can be made the basis on which to calculate the percentage which these parties are entitled to receive before they can be called upon to reduce their tolls. My argument, therefore, is this: that neither by the language of this section, as proposed to be amended, nor by the amendment which the hon. leader of the Opposition himself proposed, is there any reference whatever to money raised from bonds. Now we come to what is the real construction of the 11th sub-section of the 17th clause of the Consolidated Railway Act "capital actually expended." I may say, as far as my humble opinion goes, that if my hon. friend who has charge of this Bill had left these words as they are "capital actually expended" and added "to the exclusion of all subsidies and bonuses, and any debt of the Company contracted on the pledge thereof, or any part thereof," it appears to me that the whole purpose would have been answered, and we would have had an amendment in strict conformity with the Act itself, because the words "capital actually expended" cover the whole ground. I cannot help thinking that this clause has been inartistically drawn. The words are "the paid up stock and share capital." Now, what does that mean, if it is not the money paid upon the shares issued to meet a certain amount a part of, and included in, the $25,000,000 capital? Therefore, I think, if this had been properly expressed, it would have said, "or fully paid up shares of the capital stock."

Hon. Sir ALEX. CAMPBELL — I think, by the language of it, that that word "and" should be "or." It seems to be a repetition.

Hon. Mr. DICKEY — I think it would have been made more plain if it was "the full paid up shares of the capital stock." In looking at it, I saw the objection to these concluding words "the debt of the Company," in the original amending clause, but now we have got that limited in such a way that it is not possible any objection can be raised on that score. It excludes all moneys raised from pledging the subsidies of money and lands, as well as those portions constructed by the Government. It appears to me that there is nothing in this clause or in the amendment of my hon. friend that touches the question of money or bonds, as a means of calculating the percentage on the road, because it is confined entirely to the paid up capital stock, and that capital stock can in no case exceed $25,000,000. This amount can only be increased by application to Parliament, subject to such conditions as Parliament may choose to impose. At present it is confined to that, and, so far from its enabling those parties to contend that they can sell $25,000,000 or $50,000,000 of bonds, including the lands, and ask for 10 per cent. on the whole amount, the provisions of this amendment expressly exclude them from doing so. I think, perhaps, in that connection, that the legislation is much more against the Company than it is against the Government or the people of this country. There is no doubt whatever that the amount on which this percentage is to be rated is confined to the paid up capital stock, whatever it may be; and in this case it cannot, at all events, exceed the $25,000,000. The only doubt I had at all as to its propriety was that the words "actually expended" ought possibly to have been put into the clause, but my hon. friend who has charge of the Bill stated yesterday that these words are not only in the Canada Pacific Act, but they are in the Consolidated Railway Act in these terms: "15 per cent. per annum profit on the capital actually expended in the construction of the work." That covers the whole ground. Then the Canadian Pacific Railway follows almost literally the same language, "10 per cent. per annum on the capital actually expended in the construction of the railway." Hence it seems perfectly plain that the percentage can only be rated, if this clause stand as it is, on the capital stock actually expended in the construction of the railway, exclusive of bonuses, and exclusive of subsidies in lands and money. My hon. friend will find it difficult to escape from that dilemma, because, while his whole argument to-day has been, that we are going to give these parties an opportunity to raise some $7,000,000 or $8,000,000 a year out of this railway, we find that the utmost they can raise under this amended Act will be $2,500,000, and after that they are liable to have their percentage of profits reduced by reduced tolls. I think, therefore, that my hon. friend, under these circumstances, should allow the amendment that has been proposed to-day, to pass, and let us have the third reading of the Bill. Before I sit down, I beg to call the attention of the hon. Postmaster General to another part of this Bill, in which there is a serious omission. I have reference to clause 3, on the second page of the Bill. It is the bridge clause. The words are:—

> "The Company, before using higher freight cars than those used on the railway at the the time of the passing of this Act, or of the reconstruction or alteration, as aforesaid, of any such bridge, or other erection, structure, or tunnel, as the case may be, shall—"

Shall what! Shall do nothing — and there is a blank. Several lines must have been left out there. I refer my hon. friend to the railway Act for the omission.

Hon. Sir ALEX. CAMPBELL — It is evidently an omission, and I am much obliged to my hon. friend for calling attention to it.

Hon. Mr. DICKEY — I have noted on the margin the words "raised over such bridge, or other erection, or tunnel, and the approaches thereto, so as to admit."

Hon. Mr. SCOTT — The House will allow me, I hope, to explain a misconception as to the language I used yesterday and to-day. In the first place, the Bill, as it stood yesterday, was as follows:—

> "The said word capital, as used in the said sub-section, meant, and means, the paid up stock and share capital of the Company, with interest added, for periods during which no dividend is paid, to the exclusion of the debt of the Company."

Now, so far as the Canadian Pacific Railway was concerned, that excluded the interest on their bonds being a charge upon the earnings of the Company. They would not have a right, as the clause stood yesterday, to incur a bonded debt, secured on the railway, the interest payable out of dividends. The meaning of that clause has since been changed, and, so far as the Canadian Pacific Railway is concerned, it permits them to come under the clause of the charter which allows them to issue a bonded debt. I assume it will not be contended that in the charter of the Canadian Pacific Railway, where they have the right to issue bonds, it was contemplated that the same privileges and rights should follow the issue of those bonds as follow the issue of bonds in the case of a railway bill under entirely different circumstances. I am confining my view to the assumption that they may choose to avail themselves of the 28th clause of the Act, which authorizes them, in the event of their issuing land grant bonds, to issue $10,000 per mile of the railway, and if they do not issue land grant bonds, but dispose of the lands in another way (as they have a right to do, under their charter), then they may issue bonds to the extent of $20,000 per mile. My hon. friend behind me contends that the interest on that issue of bonds will not rank on the earnings of the Company. That is a doctrine which rather astonishes me. You authorize the Company to issue bonds and you take from them the power to pay the interest upon them. That would be perfectly absurd on the face of it. The issue of bonds secured on the railway itself would be a charge on the railway itself. My hon. friend says I entirely departed from the line of argument adopted on a former occasion; that I had contended the road could be built on a small capital — five or ten millions. I say so still, and I say that this Company will avail itself of the widest privileges of its charter to have the largest amount of share capital possible. I have yet to learn that it is the amount the Company may get from those bonds that is to govern or restrict the allotment of dividends. Therefore, I contend that the Government ought to have restricted them in the exercise of those privileges in alloting their future dividends to the amount that may be legitimately expended on the construction of the road. I think it is extremely unfortunate that such an important Bill should be allowed to go forth conferring on the Company such vast privileges, and by that means enabling them to levy tolls that will be oppressive and a great burden on the North-West in fifteen or twenty years hence.

Hon. Mr. REESOR — The position taken by my hon. friend from Nova Scotia, to the effect that no dividend could be claimed under the amendment now proposed, excepting upon the $25,000,000 of stock, I think, is quite as clearly without warrant as the position that was taken yesterday, that that stock would not be issued at less than par. The clause, as it will stand if amended, will not exclude any debt that the Company may contract upon the portion of the road which they are to build themselves. The Company will own that portion just as any other company in the country owns the road that it builds itself. The Syndicate will also own, in the same way, that portion of the road that we are giving them, because their Bill provides for it, and this clause, as amended, would not exclude any the Company may incur upon the road after it is completed. They may pay for the road out of the sales of the lands if they choose; they may sell the $25,000,000 stock at any price they please, and invest the proceeds in the construction of the road, using as much of the bonuses in lands and money that we give them as they may require in the building of the line, and, after that, they may issue bonds to the extent of $20,000 per mile. That will be a debt against the road, and not such a debt as is referred to in the amendment suggested by the hon. Postmaster General. We have given to this Syndicate such privileges and powers as were never before given to any company on this continent. Let us, therefore, be careful in defining the meaning of this word "capital." I do not think, myself, that there is any doubt at all as to how it should be construed, but there are doubts in the minds of others. Let us, therefore, take time for consideration. Let the Bill stand until Monday.

The motion was agreed to.

Hon. Mr. HOPE suggested that the words "paid up stock and share capital" in the first clause, ought to be "paid up stock of the share capital."

Hon. Sir ALEX. CAMPBELL said the words "paid up" were intended to apply to both.

Hon. Mr. SCOTT thought it would be better to leave the phrase as it stood.

Hon. Sir ALEX. CAMPBELL — moved to strike out the 11th schedule, relating to rates of passenger fares, per mile, be struck out.

The motion was agreed to.

The Bill was then read the third time and passed.

NATURALIZATION AND ALIENS BILL.

IN COMMITTEE.

The House went into Committee of the Whole on Bill (G) "An Act respecting Naturalization and Aliens."

In the Committee.

Hon. Mr. SCOTT thought that the Dominion Parliament had no right to legislate as to the inheritance of real estate. That was dealing with civil rights.

Hon. Sir ALEX. CAMPBELL—But the question of alienage is left to the Dominion Parliament.

Hon. Mr. SCOTT said it was evident that the Legislature of Ontario, at all events, were under the impression that this was a subject which came within their jurisdiction, since, in the Real Property Act, they applied the old law as to the devising of lands to that Province.

Hon. Mr. MILLER said it was clearly understood, in connection with the working of our constitutional system, that, where authority is expressly given by the British North America Act to the Parliament of Canada to deal with any subject, then, all incidental authority affecting civil rights follows the original authority, and is possessed to as full an extent by this Parliament as if the question of civil rights was within its control. Take, for instance, the bankruptcy laws. There could be no greater interference with civil rights than this Parliament has undertaken to exercise in connection with that question, and in other matters committed to the Parliament of Canada they had, in the exercise of the powers vested in them by the British North America Act, unreservedly dealt with civil rights. There could be no doubt whatever that they had the power to deal with civil rights as incidental to that subject. There could be no question as to the right of this Parliament to legislate as to the property of aliens.

Hon. Mr. DICKEY thought if there was any subject on which it was most desirable that uniformity of laws should prevail it assuredly was this, so that persons wishing to come to this country should not be obliged to ask what is the law of the province to which he is going as regards his position when he gets there. He would remind the hon. member for Ottawa that this Parliament had passed an Act dealing not only with civil rights, but also with private rights—the Canada Temperance Act—and there could, therefore, be no doubt as to their jurisdiction in this instance.

On the 13th clause,

Hon. Mr. MACDONALD suggested that the words "electoral district" should be substituted for the word "county," as they had no counties in British Columbia.

Hon. Mr. SCOTT would like to have seen this clause simplified so as to have less form in taking out naturalization papers. When the Dominion was inviting foreign population, and was glad to see immigration on any terms, he thought the taking of the oath of allegiance and filing it amongst the records of the court ought to be sufficient to enable a foreigner to take out his naturalization papers.

Hon. Mr. DICKEY said that the law should be made as simple as possible; that a party should be allowed to go before the Prothonotary or Clerk of the Peace or County Court, and fyle his declaration or certificate of naturalization. There might be a reason in a thickly populated country like England to observe all these formalities, and that it should be done in open court, but it was not necessary in a country like Canada. It was enough almost to frighten a man from taking out his naturalization papers to be obliged to make his application in open court, sitting perhaps only twice a year in the county.

Hon. Mr. MILLER said that there might be reason for this greater formality being introduced into this Bill. If it became law, it was to be included in a convention which was to be arranged between England and other countries, and it might, perhaps, be desirable that the same formalities in regard to naturalization should prevail in this Dominion as existed in other countries. If this reason existed for greater formality they should adhere to the Bill as it was.

Hon. Mr. DICKEY thought it could hardly be an objection to simplifying this Bill, that it might interfere with the convention, because it applied wholly to this country and could not possibly be an essential part of any convention. The laws of other countries to which our people might wish to go might require other formalities, but this country should afford every facility for aliens to become naturalized, without exposing them to a different rule in the different provinces of the Dominion to which they might go.

Hon. Mr. MILLER took it for granted that the law would be uniform hereafter in all the provinces of the Dominion. Any diversity that might have existed heretofore was in consequence of the legislation that was enacted prior to Confederation, which laws were allowed to continue until they were repealed or altered by the legislation of this Parliament.

Hon. Mr. VIDAL could not see any difficulty that interposed here. The 11th section gave every facility for naturalization ; this section only provided where the certificate should be placed on record.

Hon. Mr. DICKEY thought it was very desirable that there should be one universal mode of becoming naturalized throughout the Dominion.

Hon. Sir. ALEX. CAMPBELL considered that the uniformity which was thought to be so desirable would be secured by this Bill, as far as possible in this stage of our history. The affidavit was to be taken before any one of the officers named, and those officers were to be found all over the Dominion. The affidavit was the same, and the evidence was the same in all the provinces, and in order to preserve a record of what is done, certain courts are pointed out in which the record is to be fyled. The same language could not be used with reference to all the provinces, because the courts were not the same in each province, consequently the courts had to be described as they existed. Of course a man's status was much changed by taking out naturalization papers, and there might be an advantage in having an open acknowledgment of this change of status by reading the certificate in open court. There might be a good deal in the suggestion that a certain degree of formality might be required to bring this Act within the terms of the two countries they were speaking of. It would probably be better to allow the clause to remain as it was. He would, however, make further inquiry as to the requirements put forward as to the degree of formality under the proposed convention, and it might be necesay to call the attention of the House to this clause on the third reading of the Bill.

Hon. Mr. SCOTT said that aliens were often willing enough to take the oath of allegiance under certain circumstances, but before the Court would be in session probably three months might elapse, and the party would lose all interest in it, and the object for it had passed away.

Hon. Sir ALEX. CAMPBELL — They are not obliged to wait under this Bill ; they may take the oath, and it may afterwards be read in the court.

Hon. Mr. SCOTT said there was no additional publicity given to it by reading it in the court. The simple way would be, the party having taken the oath should have it fyled in the office of the clerk of the peace, who would issue the certificate at any time. If it was not thought desirable to invest the clerk of the peace with this power, it could be done by the county judge. He knew that many persons in this city would have taken out their naturalization papers years ago but for the cumbrous system that existed.

Hon. Mr. DICKEY thought the proper way was to allow the party to fyle a certificate at once with the clerk of the county court or clerk of the peace. The 24th section of the Bill was entirely conditional upon the effect of any convention that might occur, and the state of the laws of the foreign country, and the other section had no connection with any convention except that there should be a fair and reasonable record of the fact that the party was desirous of becoming naturalized.

Hon. Mr. MILLER could not agree with the reasoning of his hon. friend who had argued as though this boon of naturalization was of very little consequence to the parties who desired it. They all knew to the contrary, that it was a matter of great importance that parties who desired to live in this country should become invested with the rights and privileges of citizens, and unless they took the steps that the law required to acquire those rights, he did not think their case was worthy of a great deal of consideration. It ought not to follow, as a matter of course, after the oath is taken, that an alien should have the rights of citizenship, there was a judicial act to be performed by the court in accepting the certificate. The 12th section says "the alien shall adduce in support of his application, such evidence of his residence or service, and intention to reside or serve, as the person before whom he takes the oaths aforesaid may require; and such person, on being satisfied with such evidence, and that the alien is of good character, shall grant to such alien a certificate," etc.

Hon. Sir ALEX. CAMPBELL—Look at clause 15, which says what the court has to do.

Hon. Mr. MILLER said it then devolved upon the court to review the preceding acts and say whether it was in the interest of the State that this party should have naturalization papers. There might be many cases in which it would not be in the interest of the State to grant naturalization papers.

Hon. Mr. REESOR said if there was no examination for the alien to undergo before the judge he could not see what advantage there could be in compelling him to send the certificate to the court while it was sitting.

Hon. Sir ALEX. CAMPBELL—Anybody that is in court may then take exception to it if he has any.

Hon. Mr. REESOR said that there might not be any person present who would take any interest in the party. His character was inquired into at the time the oath was taken as to whether he was a proper person to to become a subject of Her Majesty, and therefore, there was no necessity for bringing him before the court. He thought it would simplify the matter if the party were required to fyle his certificate in the registry office, particularly as it had something to do in regard to his right to hold and convey real estate.

The further consideration of the clause was postponed until Monday.

The remaining clauses were adopted without amendment.

Hon. Mr. READ, from the Committee, reported that they had made some progress, and asked leave to sit again on Monday.

The report was adopted.

At six o'clock the Speaker left the chair.

AFTER RECESS.

TEMPERANCE ACT AMENDMENT BILL.

IN COMMITTEE.

The House resumed, in Committee of the Whole, consideration of Bill (M) "An Act to explain and and further amend the Canada Temperance Act, 1878, and the Act of 1879, amending the same."

In the Committee,

Hon. Mr. VIDAL said his attention had been called, since the Committee had last met, to what might seem a trifling defect in the Act of 1878, but which was really important, and should be remedied. He moved the following as a new clause:—

"CLAUSE A.

"The one hundred and nineteenth section of the said Act is hereby amended by inserting 'this Act or' after the word 'which,' in the second line thereof, and by striking out the words 'or of this Act,' in the third and fourth lines thereof."

It would be observed that no prohibitory by-law was passed under this Act. The intention was to say "wherever this Act or any prohibitory by-law is in force."

The clause was adopted.

Hon. Mr. VIDAL moved to amend the sixth clause, so as to make the same provisions apply to revoking the Act as to bringing it into force. This was the alteration which had been suggested by the hon. member from Rockwood (Mr. Odell), and would no doubt meet his views.

Hon. Mr. ODELL said he had stated distinctly that his objection was to the whole clause, and he had heard nothing to change his opinion in that respect. It was argued by supporters of the Bill that, whether this clause was omitted or remained in the Bill, you could not go behind the proclamation issued by the Government. He (Mr. Odell) did not think so, and he did not consider it at all advisable to relieve the Temperance League from carrying out all the preliminaries required before putting the Act into operation. The only argument used by the hon. gentleman from Sarnia and the hon. the Minister of Inland Revenue was that it would prevent litigation. That, he thought, was not a sufficient reason for adopting this section. It had also been contended that the Secretary of State would see that the preliminaries had been attended to ; but, if the time of the Secretary of State was to be taken up with such matters, he would not be able to attend to anything else. It was wrong legislation, and he (Mr. Odell), notwithstanding the amendment, was opposed to the whole section. Was it not enough that, under the stringent Act of 1878, the Temperance League should have power to bring the Act into operation by a minority vote? That, under the 111th section, there was no appeal from a conviction, the only exception being removed by this Bill? That, under the 122nd section, persons convicted are required to state whether they had ever been convicted before, and convict themselves in order that a double fine might be imposed upon them? That, under the 123rd section, a man and his wife are compelled to give evidence against each other? That, under the 121st section, a witness for the prosecution is not required to depose that the sale of liquor took place, to his personal and positive knowledge, to convict the defendant. But, in addition to all this, by the 6th clause of this Bill, the Temperance League now seek to be relieved from all responsibility whatever as to the preliminary proceedings in order to bring the Act into operation. And, moreover, when this Act is brought into operation, what becomes of the section which imposes a penalty upon all officers for omissions regarding preliminary proceedings? But that is not all. The 7th section of the Bill, if it passes, is to be construed as a part of the Act of 1878, and is intended to quash all pending proceedings instituted for testing the regularity of primary steps, and relieves the Temperance League from all difficulty whatsoever with regard to any matters that have taken place before the passage of this measure and legalizes whatever may have been done in contravention of the law. He, therefore, moved that the 6th section be struck out of the Bill.

Hon. Mr. SCOTT said it was a mistake to suppose that this Bill was designed to relieve the temperance people of any responsibility. After presenting their petition they are divested of any control over it. The Secretary of State, who is practically the Minister of Justice, becomes the tribunal. The machinery is in the hands of the Government of the day, who, in all those cases, are entirely governed by the law. After the vote has been taken, it is open to anybody to bring the matter before the County Court, just as is the case under the election law. All matters up to that point are then inquired into, and very severe penalties are provided for improper practices in the voting. Wherever the Act had been submitted to the people, there had been a pretty well organized opposition at every stage, and a strict watch kept to see that the law was complied with in every particular. This clause only operates after the matter goes into the hands of the Government to rectify any clerical error, or trifling irregularity, apart from the merits of the question, but in no way affecting the legality of the votes. The clause was, practically, to relieve the Government and not to assist the temperance people.

Hon. Mr. CORNWALL pointed to the fact that in the Canada Temperance Act no penalty is provided for fraudulent signing of names to a petition, or for using intimidation or bribery to procure signatures, but, when the time for polling comes, there are most stringent regulations to prevent fraud, corruption, or intimidation. What is the reason? In the one case there is but one party in the field — those who are concerned in having the Act brought into force; in the other both parties, those who favor and those who oppose the Act, are in the field, and, therefore, this provision is introduced to prevent improper practices with reference to the recording of votes, when both parties might engage in the same practices! A few days ago the Scott Act was submitted to the people in the County of Sunbury, N.B., and what was the result? In that County there are 1,500 persons qualified to vote for the passage or rejection of this Act. The Secretary of State must have been satisfied that the genuine signatures of at least one-fourth of those electors were attached to the petition before a vote could have been taken. Notwithstanding that fact, only 160 votes were recorded in favor of the Act, which is now in force in that County. Less than one-ninth of the electors in Sunbury imposed upon the thousands of inhabitants of that County the stringent provisions of this absurd Act.

Hon. Mr. VIDAL — How many voted against it?

Hon. Mr. CORNWALL — Some forty or fifty. That increased the absurdity of the case. There must have been some 400 or more petitioners for the Act, yet, when the day of polling arrived, only 200 took the trouble to record their votes on both sides. What would one suppose from that fact? That many persons signed that petition who were either ignorant or careless of what they were doing. No doubt the Act had been carried in other counties in a similar way, and it would probably be found on investigation that illegal means had been resorted to by the advocates of the measure in all such cases to accomplish their ends. This one instance should be sufficient to induce the House to strike out the clause. The amendment more or less affords opportunity for illegal practices on the part of the petitioners for this Act. It was quite possible that in cases of this sort the Secretary of State might be hoodwinked, and through him the Governor-in-Council might be misled, and yet Parliament was asked to say that, even though they are misled, nothing is to be done to set right that which has been brought about in an unfair and illegal manner. Secretaries of State, in common with other mortals, are fallible men, and yet this Bill proposes to enact that nothing done by a Secretary of State shall be impugned. If the 5th, 6th and 7th clauses of the Canada Temperance Act are sufficient in themselves to secure the Secretary of State against falling into error, then the amendment is altogether unnecessary; if they are not sufficient to secure that, then it must be unwise to introduce an amendment of this sort which will have the effect of putting the machinery of the second part of the Canada Temperance Act in force on insufficient grounds.

Hon. Mr. FLINT thought that his hon. friend from Ashcroft had made out a very strong case of ignorance on the part of the people he was talking about. In the first place, he said there were 1,500 voters in the County; in the second place, that 400 persons signed the petition, and in the third place that, out of the 1,500 electors, 160 voted for the Bill, and only forty voted against it. It was quite evident that if only forty voted against the measure, the rest were all in favor of it, for in his experience, of over fifty years, of the liquor traffic and liquor drinking, he had always found that wherever the question of license came up, every man who was opposed to temperance legislation turned out to vote against it. He had never particularly favored the Scott Act, as he was a total abstainer, and advocated total prohibition, pure and simple. Still, as this was a step in the right direction he would support it.

Hon. Mr. VIDAL thought it was very strange how people could come to different conclusions from the same premises. Accepting the remarks of his hon. friend from Ashcroft as his premises, he (Mr. Vidal) had arrived at the conclusion that Sunbury was a very sensible county, when only forty people in that district could be found to go to the polls to oppose the Scott Act. Supposing the same proportion of the electorate who stayed at home as of those who voted considered that the provisions of this Act were arbitrary and tyrannical, it still left only a small minority opposed to it. He held that the same rule should be applied both ways, and the result would show that there was a proportion of four to one of the electors of the County in favor of the measure. He was surprised that there should be any opposition to this clause, as it had been fully explained last session by the Minister of Inland Revenue, and had then received the sanction of the House. The object of the amendment was simply to meet trifling informalities as to the time of holding the elections, and the irregular expiration or entire absence of licenses, that might lead to vexatious litigation. He would remind the House that, far from introducing a new principle, this very clause had been passed by both Houses of Parliament last session, although it was now looked upon and treated by some hon. gentlemen as though it were an innovation. So far as the Temperance Act itself was concerned, all its enactments remained in full force and effect, and there was no possibility of any of those grievous evils resulting from this legislation which had been foreshadowed by hon. gentlemen who were opposing it. After the petition was ready for presentation it would have to remain open for ten days in the sheriff's office for the inspection of all parties who were interested in seeing that it was properly signed. He knew that in his own County when the law was introduced there every name on the petition had been subjected to the closest scrutiny, and, had there been a sufficient number of names on it to which objection could have been taken so as to reduce it below one-fourth of the number of the electors of the County, the Secretary of State would not have paid the slightest attention to the petition. Although sympathizing with the temperance cause, and anxious to give it all due consideration, the Secretary of State was strictly impartial—indeed, if there had been any partiality shown it was on the other side, because, as the Secretary of State's views and sentiments were known to the public, he feared that it might be thought there was a disposition on his part to favor the temperance people, and this might have led him to lean a little the other way. He knew that in the County of Lambton, where he was acquainted with the whole procedure, every particular of the law had been fully complied with; not only were they required to prove that they had the names upwards of one-fourth of the electors of the County on the petition, but the genuineness of every signature had to be certified. Yet the hon. gentleman spoke as though names could be improperly placed on the petition, and a contest forced upon the county on insufficient grounds. Every precaution was taken to have the closest scrutiny of the votes, and the elections were conducted upon the same principle as elections for the House of Commons. Even though some of the signatures to the petition were not genuine, it would do no serious harm, as it decided nothing; at most, it could only bring on an election, and, if the people of the county were opposed to the adoption of the Act, it would only put them to a little temporary inconvenience. Of the fact that there were sufficient safeguards thrown around all the anterior proceedings to the issue of the proclamation bringing the Act into force, this House need not have any doubt whatever. The amendments which he had proposed did not affect the principle of the Bill, and were only introduced with a view to make the Act work more smoothly. The amendment proposed by his hon. friend from New Brunswick, he contended, was out of order, as it was merely a negative motion.

Hon. Mr. KAULBACH said the hon. gentleman from Sarnia did not look upon it as a serious matter if the signatures to the petition (the starting point) were not all genuine, or the proportion required in the first instance. In that regard his hon. friend certainly did not view this matter in a proper light—that such a petition was a deception and fraud on the people and the Government. He (Mr. Kaulbach) contended that there should be an unmistakeable majority of the electors of the county upon the petition before the electoral district was put to the cost, trouble, expense and excitement of an election to test public sentiment and to put this law into operation, and, before the public conscience and enlightened common sense should be disturbed and violated by a few enthusiasts whose zeal outstrips their sense and judgment — men who get up those petitions, and have them circulated through the country, under false pretences, for signature. Hon. gentlemen knew how easy it was to obtain signatures to any kind of a petition, as long as it cost nothing, but these petitions were generally signed through intimidation, coercion, misrepresentation and falsehood. The very name of temperance in the petitions and in this connection was a fraud. It was a prostitution of the word temperance. It was a false flag, which disgusted enlightened people. Temperance was a christian virtue; a grand moral subjection of the whole man to the sway of reason. But under the name of "temperance," falsely applied, the organized associations worked up excitement in the country, and deceived or forced the good but unthinking people who reverence Scripture, into signing their petitions. Instead of being a moral restraint, this temperance legislation was nothing but organized hypocrisy; a moral outrage which the country indignantly repels. It was evident from the remarks of his hon. friend from Ashcroft, as to the result of submitting the law as it now stands in the County of Sunbury, that one-tenth of the electors of that County had imposed sumptuary regulations of a tyrannical character upon the other nine-tenths of the constituency. Such proceedings were enough to demoralize a community and bring law into contempt. The majority of the men in that County, he had no doubt, were temperance men, who abhorred drunkenness as the ruin of body and soul and of society, In the true sense of the word temperance, the use of the good things of this world, the gifts of Providence, without abusing them, the electors of Sunbury, no doubt, looked upon the law as a mockery and a farce, and had such a contempt for it that they did not think it worth their trouble to come out and vote against it. The law was put into operation by intimidation and coercion, not by moral influence, and his hon. friend was only bringing about just what he declared, that is, "rum and ruin demoralization." These enthusiasts, disguised under a false name, wished to have the whole paternal government of the Dominion, and to dicate to the vast majority of intelligent communities what they shall and what they shall not use. It was a false and absurd principle, and the tyranny of a few fanatics, without religious or moral suasion, and there would come — there was already seen — a reactionary feeling throughout the County confirming drunkenness, the curse which true temperance men abhorred and desired to remove by practical legislation based on principles of truth, common sense and religion.

Hon. Mr. WARK said he had noticed that, whenever the question of temperance came up in this Chamber, it was very apt to lead to very *intemperate* language. The words corruption, bribery, intimidation and coercion were used by those hon. gentlemen who were opposed to the Bill, while those who were temperance men used temperate language. His hon. friend should remember that temperance men were a class whose morality was so high that they would not resort to corruption or bribery to serve their ends. They always pursued an honest, straightforward course to promote their cause. He had been a long time acquainted with the people of Sunbury, and he could tell the hon. gentleman from Ashcroft that they had been a strictly temperance people for the last twenty or twenty-five years that he had been acquainted with them. There were parishes in that County where it would not pay a man to give ten dollars for a license to sell liquor, because he would lose money by it, as the people were so strictly temperate and moral in their conduct; and no one had asked for a license for years past, because they could get no customers to sustain their business. Such was the character of the people of Sunbury, and the reason why they did not come out to vote for the Bill was that they did not suppose any one would oppose it. He was surprised at the remarks of his hon. friend from Fredericton (Mr. Odell), the City of his birth, and where he had resided all his lifetime. Was he not aware that the City of Fredericton was the first municipality in the whole Dominion to bring this law into operation? In that city one police magistrate and two policemen were sufficient to keep down vice and intemperance in consequence of the abolition of the liquor traffic. The hon. member ought to be proud of the fact that the moral status of his City was so high.

Hon. Mr. MILLER rose to the question of order raised by the hon. gentleman from Sarnia. The motion before the Committee was that the clause should stand part of the Bill, and he presumed that the division could be taken on that more regularly than on the amendment of the hon. member from New Brunswick.

Hon. Mr. ODELL said that, when the question came up before, he had given notice that he would move this amendment in Committee. Before the question was put he would make one or two remarks in reply to his hon. friend from Fredericton. He (Mr. Odell) was perfectly aware that the Scott Act was supposed to be in operation in Fredericton for some time past, but he would only say, from all he could learn, it had not produced the beneficial effect the hon. member claimed, and if he would take the trouble, when he returned to that City, to make an investigation, he would find that he (Mr. Odell) was right. The report that had reached him with regard to it was that the Act was constantly evaded, and that it had not had the effect of putting down intemperance. The worst of it was that while hitherto the traffic had been under some control under the License Law, and if anything went wrong, the people holding those licenses could be punished, at present liquor of the most deleterious character was clandestinely sold in stables and all sorts of places throughout the City. He had heard that it was not an uncommon thing for an invitation to be given to go into a stable to look at a grey mare, which was merely an excuse to *lick her up*. Then he was informed, too, that in the country districts peddlers went around with little trucks, apparently peddling thread and thimbles, and so on, but their real object was to sell liquor to whoever wanted it. The hon. gentleman from Sarnia had assured them that the introduction of this Act was surrounded with all kinds of safeguards. He admitted that there were safeguards, and that was just where he wanted to keep it. He wanted to have it so that whoever attempted to bring it into operation should be obliged to conform strictly to the requirements of the law. He knew, from the character of the hon. gentleman from Sarnia, who was noted for his fairness in everything he had brought before this House, and for whose character and standing he had great respect, that he would be inclined to keep within those safe-guards, but every temperance advocate was not quite as fair and just as the hon. gentleman; and he did not wish to relieve them from any responsibility with regard to the enforcing of the Act, as he contended this Bill would. The clause was very astutely drawn, and it imposed a duty on the Secretary of State which, he contended, he could not properly perform. Therefore, they should leave the temperance people in the position in which the Act had placed them. The argument had been used that, because they had passed this Bill last session, therefore it should meet with no opposition now. But, were they bound at all times, after having passed a bill one session, not to throw out a similar bill if it came up the following session? The argument had been made use of three or four times, but he trusted the House had seen their error of last session, and were going to amend it now. The hon. gentleman from Sarnia had told them that every thing was done strictly within the law in his County. He (Mr. Odell) was perfectly willing to take the hon. gentleman's assertion that it was so, and he believed that if the hon. gentleman were made head centre of the temperance movement, and had to go from county to county, and from town to town to conduct the elections, there would not be so much objection to making all his acts directory. But they could not have the hon. gentleman as head centre everywhere, and they could not suppose that there was a gentleman of his character in every county, ready to see that all the preliminaries were attended to. Any hon. gentleman who had paid attention to the stringent nature of this Act could form no other conclusion than he had with regard to it, that it was a most stringent measure, and, being very peculiar in its character, was an additional reason why they should not tamper too much with it. The Act was passed in 1878, and he was then quite willing that such a law should be passed, in order that it might have a fair trial, and see what an effect it would have on the community at large. But, in 1879, it came up for amendment. Again, in 1880, it came up for further amendment, and now, in 1881, they found it before them for the third time. When were they going to have an end of it? Whenever the Temperance League found one slight difficulty to arise in any part of the country, Parliament was called upon to relieve them, and there seemed to be no end to it. The Act was now in operation in a number of places, and it would be seen by the *Canada Gazette* that petitions were up every day from different localities in which the Act would probably be carried into operation, and where was the necessity for relieving the Temperance League from these anticipated difficulties? He would, therefore press his amendment, that the clause be struck out of the Bill.

Hon. Mr. CORNWALL considered that the hon. gentleman from Sarnia had committed himself just as much as the hon. gentleman from Ottawa when he made the admission that the whole drift of the admendment was "to make the Act work more smoothly" by taking away all the difficulties in the way of putting the Act into operation, and that was exactly what he (Mr. Cornwall) and his hon. friend from New Brunswick objected to.

The amendment having been declared out of order, the Committee divided on the motion, that the clause do stand part of the Bill.

The motion was agreed to. Contents, 19; non-contents, 12.

Hon. Mr. VIDAL moved the adoption of the 7th clause.

Hon. Mr. ODELL said that he objected to this clause having a retroactive effect, and he would move that the clause be amended as follows:—

"Page 2, line 23.—After 'whatever' insert 'but nothing in this Act shall in any way tend to interfere or affect any proceedings at law or otherwise that may have been commenced to test the validity of the preliminary steps taken to bring the Canada Temperance Act of 1878 into force.'"

Hon. Mr. VIDAL contended that this clause was absolutely necessary, otherwise the counties in which the Act had been brought into operation would be still open to factious litigation. Notwithstanding the argument of his hon. friend from New Brunswick about this Bill having been adopted last year, he would again remind the House that it was introduced by a member of the Government.

Hon. Mr. ODELL said that the hon. the Minister of Inland Revenue had disclaimed it altogether as a Government measure last session.

Hon. Mr. VIDAL said that the temperance people knew nothing about it, and had not been consulted, but it was felt by those who watched over the administration of justice that that clause was a necessary part of the Bill, and the only change in it from the Bill of last year was the alteration rendered necessary by the change in the title of this Bill.

Hon. Mr. ODELL contended that it was simply a whitewashing bill, to relieve temperance people from the consequences of their own irregularities in bringing the Act into operation. He would make the same objection to any legislation of this kind, and he thought it highly improper to adopt such a clause.

Hon. Mr. KAULBACH hoped that the Committee would not allow this clause to pass; it was retroactive legislation of a dangerous character, for the purpose of making illegal acts legal. It was evident that those enthusiasts, finding they could not carry out their object legally, with all their organization, and extreme coercive legislation to back them, had resorted to illegal practices for which they now wished to be indemnified. No matter how imperfect the preliminaries might be, it would all depend on the decision of, possibly, a violent total abstinence crusader, in the power of one man — the Secretary of State, no matter who he might be — whether the law should go into operation or not. It was improper legislation, and it seemed to him that to make it retroactive was entirely erroneous; it was but another stroke of tyranny at reason and Scripture which, as he had already said, would bring its reaction of rum and ruin.

Hon. Mr. DEVER was extremely sorry to see such legislation introduced in this Chamber. He had great respect for conscientious men who work sincerely for an object that they believe to be right. It is well said:—

"What conscience dictates to be done,
 Or warns me not to do,
This teach me more than hell to shun,
 That, more than heaven pursue."

He had every respect for conscientious men who worked for and supported this measure. Such men, no doubt, looked upon the use of liquor as being injurious to their fellow men; but there were other gentlemen who looked very differently on this question — men who talked temperance, but took their whiskey behind back when they thought they required it, and would not be deterred from it, though supporting this measure. Such men were known to him, and he believed that a very large majority in this Chamber took their wine and enjoyed the good things of this life. How they could sit by and allow such farcical legislation to pass, he could not understand; how men who could take their whiskey in secret — men, he knew, who drank secretly and publicly too — should sit by and support this measure, and say that the people of this country should be prohibited from using liquor, when they considered they required it, he could not conceive. It was inconsistent conduct, to use no stronger expression, and brought disgrace on this Chamber, the highest hall of the Parliament of this country.

The Committee divided on the amendment, which was declared lost — contents, 10; non-contents, 22.

The clause was adopted on the same division.

Hon. Mr. MONTGOMERY, from the Committee, reported the Bill, with amendments, which were concurred in.

DOMINION SALVAGE AND WRECKING COMPANY BILL.

SECOND READING.

Hon. Mr. RYAN moved the second reading of Bill (34) "An Act to incorporate the Dominion Salvage and Wrecking Company." He explained that the object of the Company was to recover property lost in the St. Lawrence, in which a great many accidents occur yearly.

The Bill was read the second time.

WRECKING AND SALVAGE COMPANY OF CANADA BILL.

SECOND READING.

Hon. Mr. RYAN, in the absence of Mr. FERRIER, moved the second reading of Bill (7) "An Act to incorporate the Wrecking and Salvage Company of Canada." He said the object of this Bill was the same as that of the Bill which had just been read the second time. So far nothing had been done to induce the two Companies to amalgamate, but he believed there was room for both of them. These Companies would be a great benefit to commerce. They would diminish the risk to vessels coming to the St. Lawrence, and thus reduce the cost of insurance.

The Bill was read the second time.

CONSOLIDATED GOLD MINING COMPANY'S BILL.

SECOND READING.

Hon. Mr. FLINT moved the second reading of Bill (48) "An Act respecting the Canada Consolidated Gold Mining Company." He said this Company had a corporate existence in the State of New York, but, having purchased the Gatling mine in the County of Hastings, and undertaken to work it, they desired to obtain a charter in this country also.

Hon. Sir ALEX. CAMPBELL said it was an unusual Bill. The names of the corporators were not given. It was the first instance he had seen of incorporating an existing corporation. He did not oppose the motion for the second reading, but he hoped the Private Bills Committee would inquire into the legality of such a proceeding.

Hon. Mr. FLINT said he would see that the names of the parties were incorporated in the Bill.

Hon. Mr. DICKEY said the Bill was open, not only to the objections taken by the Postmaster General, but also to the objection that it was of a purely local character. It would be better not to proceed further with the Bill. The Company should make application for a charter.

Hon. Sir ALEX. CAMPBELL thought that the Bill should not pass, but it might be read the second time and referred to the Private Bills Committee, where it could be thoroughly investigated.

The Bill was read the second time.

INLAND REVENUE BILL.

SECOND READING.

Hon. Mr. AIKINS moved the second reading of Bill (2) "An Act to amend the Inland Revenue Act, 1880." He said: The Inland Revenue Act makes provision that tobacco, whether imported or manufactured in Canada, shall be put up in rectangular packages. This difficulty has been experienced, that in the case of imported tobacco, after the importer has paid the customs duty, the Inland Revenue Department has no further claim on it whatever. By this Bill provision is made that all imported tobacco, if not put up in such packages as the Act requires, shall be bonded and put up in proper packages before being stamped by the Inland Revenue Department. There is no new principle so far as that is concerned. Another change in the law will be found in the last clause but one. Under the present Act, no liquor can be taken from a distillery in quantities less that a cask of 40 gallons. The barrels in use hold about 30 gallons, and, inasmuch as the Imperial gallon has been introduced, it is thought desirable to make the law conform with existing regulations.

Hon. Mr. DEVER — I was under the impression that tobacco when imported did not come through the Excise Department.

Hon. Mr. AIKINS — The law requires that it shall be put up in a certain way. The importers contend that, so long as they pay the customs duty, they have nothing further to do. We found it was impossible, after it got into the country, to show whether it had paid duty or not. It had to be stamped, but there was no penalty provided for failure to comply with that requirement of the law, and hence we could not enforce it. This Bill provides a penalty.

Hon. Mr. MACFARLANE — What is the object of having the tobacco put up in a particular package?

Hon. Mr. AIKINS — The object is to protect the revenue, because we could not tell, when it passes out of the hands of the customs authorities, whether the duty had been paid or not.

Hon. Mr. DEVER — The effect of this clause will be to increase the cost of tobacco. The importers will have to give orders to have their tobacco put up in these special packages. I look upon this as prohibiting the importation of tobacco.

Hon. Mr. AIKINS — The Inland Revenue Act has been made to conform to the customs of trade as much as possible.

The Bill was read the second time.

UNIFORM CURRENCY BILL.

SECOND READING.

Hon. Mr. AIKINS moved the second reading of Bill (66) "An Act to extend the Act establishing one uniform currency for the Dominion of Canada, in the Provinces of British Columbia and Prince Edward Island."

Hon. Mr. CORNWALL asked how they were to get a sufficient quantity of the circulating medium in British Columbia.

Hon. Mr. AIKINS said the Finance Minister would supply it there in the same way that he supplied the banks here, on requisition.

Hon. Mr HAYTHORNE said that when Prince Edward Island adopted tha dollar and cent currency, some twelve years ago, the silver coin of Canada became current there, and it was found necessary to procure a copper coin as well. The Government of the Island went to a considerable expense in removing the old copper currency in circulation, and replaced it by a handsome coin struck in England. The amount coined was in excess of the requirements of the Island, and consequently a large amount remained on hand in the treasury. If by this change in the law a large quantity of Canadian currency should be imported into that Province, to be legal tender, it would cause embarrassment.

Hon. Sir ALEX. CAMPBELL — Copper coin is not legal tender.

Hon. Mr. HAYTHORNE said it was legal tender to the extent of 25 cents in one payment. As the Island had an ample supply of copper currency at present, it would cause considerable loss if an additional quantity of bronze or copper coin should be forced upon the Province at once.

Hon. Mr. AIKINS promised to make inquiries on the subject before the next stage of the Bill.

The Bill was read the second time.

ACCIDENT INSURANCE COMPANY'S BILL.

SECOND READING.

Hon. Mr. RYAN, in the absence of Mr. FERRIER, moved the second reading of Bill (54) " An Act to amend the Act of incorporation of 'The Accident Insurance Company of Canada,' and to authorize the change of the name of the said Company to 'The Accident Insurance Company of North America.' "

The Bill was read the second time.

SILVER PLUME MINING COMPANY'S BILL.

SECOND READING.

Hon. Mr. ARMAND, in the absence of Mr. BELLEROSE, moved the second reading of Bill (35) " An Act to incorporate the Silver Plume Mining Company."

The Bill was read the second time.

The Senate adjourned at ten p.m.

THE SENATE.

Monday, March 7th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

SENATOR FABRE'S MISSION TO FRANCE.

INQUIRY.

Hon. Mr. Trudel inquired :—

"Whether the Hon. Mr. Fabre, one of the members of the Senate of Canada, represents the Canadian Government in France in any way; or whether he is invested with any functions or charged with any mission towards the Government of France? If so, what are those functions or what is that mission? And what are the expenses occasioned thereby ?"

Hon. Mr. Haythorne.

He said : — The hon. members of this House are not probably aware that a member of this Senate, whose name is the subject of my inquiry, is in the habit of sending to a newspaper in the Province of Quebec communications the effect of which I would consider to be disastrous if that newspaper had much influence with our population. The hon. gentleman, being actually in France, has constituted himself the apologist of what I may call the worst liberalism — the scum of liberalism — and is trying to inoculate the minds of our population with the worst social principles that can exist. Of course, this is the hon. gentleman's own affair, but there is an opinion that he has been sent to France and is maintained there and paid by the present Government. Of course, it seems to be an extraordinary thing that a Conservative Government should take upon themselves, not only to encourage, but to pay for the services of that man to corrupt the minds of our population, and to make a propaganda in such a direction as not only no Conservative, but no true Canadian, or friend of his country would consider himself justified in encouraging. If it be true that this gentleman holds an official position from the Government, it would give his writings more weight, and I may say I hope that it is not the case. At all events, the country is interested in knowing in what capacity this gentleman is now in France, and if he has received any official mission from the Government.

Hon. Sir ALEX. CAMPBELL — In reply to the question of my hon. friend, I beg to say that the hon. Senator Fabre, is not charged with any mission towards the Government in France, and, therefore, has no functions that I know of so far as this Government is concerned, and that no expenses are occasioned to this Government thereby.

THE WALKER HEIRS' CLAIM.

MOTION.

Hon. Mr. GUEVREMONT (in French) moved : —

"That a Committee be appointed to take into consideration and report upon the subject of the claim of the heirs of one Walker, to a lot of land in the Seigniory of Sorel, which the said Walker received from the Imperial

Government as a reward for his military services in defence of the Colony, during the war between the United States and the Mother Country, and took possession of and occupied as his own until his death, leaving no will, when, his widow and children having found it necessary to go and live at Prescott, the Ordnance Department took charge or possession of the land, of which the lawful heirs of the said Walker have now been claiming possession for several years past; the said Committee to consist of the Hon. Sir Alexander Campbell and the Hon. Messrs. Trudel, Scott, Pelletier, Archibald, Bellerose and the mover, and to have power to send for persons and papers."

He said: I ask for the appointment of this Committee to give the heirs of Walker an opportunity to establish their claim to the property acquired by the valor and loyalty of their ancestor, and to give the Government an opportunity to do justice in the case.

Hon. Sir ALEX. CAMPBELL — I am informed by the Department of the Interior that their view is that this claim is not a valid one, and that the heirs of Walker mentioned in this motion have no good ground for the position which they attempt to take that they own this land in Sorel. At the same time, as the claim is still an open one and it may be desirable to arrive at a conclusion about it, the Government do not object to the granting of the Committee for which my hon. friend asks, in order to inquire into the merits and validity of the claim, and to endeavor, if possible, to put an end, one way or another, to the continuation of it. I must ask my hon. friend to omit my name from the Committee, inasmuch as I have no time to attend to it, and inasmuch also as it is not desirable that a member of the Government should serve on the Committee, since, whatever its action may be, the Government will have to deal with the claim subsequently. If the hon. gentleman desires to retain the same number on the Committee that is mentioned in the motion I must ask him to select some other member of the House besides myself.

Hon. Mr. GUEVREMONT — I have no objection to accept any hon. member of this House from the Province of Ontario, and would suggest the name of the Hon. Mr. Allan.

The suggestion was adopted, and, the change having been made, the motion was agreed to.

BILLS INTRODUCED.

Bill (58) "An Act to provide for the salaries of an additional Judge of the Court of Queen's Bench, and an additional Judge of the Superior Court in the Province of Quebec." — (Sir. Alex. Campbell.)

Bill (64) "An Act to continue in force for a limited time the Act 43 Vic., chap. 36." — (Mr. Aikins.)

Bill (21) "An Act respecting the Grand Trunk Railway Company of Canada." — (Mr. Ferrier.)

Bill (R) "An Act to provide for the extension of the boundaries of the Province of Manitoba." — (Sir Alex. Campbell.)

NATURALIZATION AND ALIENS' BILL.

THIRD READING.

The House went into Committee of the Whole on Bill (G) "An Act respecting Naturalization and Aliens."

Hon. Sir ALEX. CAMPBELL said: When the Committee rose on the last occasion, it was understood that the Government would consider between then and now the suggestions made by the hon. gentleman from Amherst, and also by the hon. leader of the Opposition, that they should simplify that part of the Bill which relates to the recording of the declarations which were necessary to the naturalization of an alien, the present system being that these affidavits, after having been taken, should be fyled with the Clerk of the County Court, the Queen's Bench, or the Supreme Court, in the locality in which such alien resided; and it was suggested that it would be more simple and equally efficacious if the fyling was made the duty of the registrar or the clerk of the peace. He (Sir Alex.) had promised to bring it before the Government, and inform the Committee to-day what his colleagues thought of the subject. It was discussed among the members of the Government on Saturday, and the conclusion arrived at was that it would be more convenient and safer to retain the scheme as it was at present. For this several reasons were given. One was that which was sketched somewhat slightly by his hon. friend from Richmond, with reference to the use which was to be made of this Bill for the purpose of obtaining the recognition of naturalization by foreign countries — the native countries of those who were naturalized. Those countries were accustomed to greater formalities than existed in Canada, and it would to them seem strange if the person who was to be naturalized, and whose naturalization letters they were asked to recognize, had not been submitted in some more formal way. It had been suggested that in England in similar cases the letters of naturalization would pass formally through the Secretary of State, a degree of form more than was contemplated here. Another reason suggested was that it was more convenient to have the same formalities in reference to both countries, that they should not have one formality in reference to naturalization in Canada and another in the country of the birth of the alien, a reason which would recommend itself to one's judgment. Another reason was that applications for naturalization papers were generally made shortly before elections, and it was very desirable that those persons who might dispute the facts, or might think they were not sufficiently well established, should have an opportunity of stating their objections before some court or judge before the alien was naturalized and had acquired the right of voting. Those reasons were given, and they pointed to the conclusion that it would be safer, on the whole, to maintain the Bill as it was. Then it was to be observed that the status of the alien was being changed very much, and it might be very desirable that that should be publicly known — his right to vote, and his right to be elected, and the status which he acquired. He laid stress upon the opinions that had been mentioned by some gentlemen in the other branch of the Legislature, whose constituencies lie near the border, and who had frequent applications of this kind, and he understood from some of them that they thought the affidavit should be fyled in court, and read over in court, and that the certificate of the judge should be the final evidence that the alien required letters of naturalization. He hoped his hon. friends who took that view of the matter would, at all events, see that it had been considered, and that they would, therefore, acquiesce in the view he had submitted to the Committee as being, on the whole, perhaps, the safest course to follow.

Hon. Mr. DICKEY was very sorry to place any difficulty in the way of the passage of a bill of this kind or that any amendment that he had suggested should at all stand in the way of a convention being entered into. It was a point that impressed itself forcibly on his mind, and if it was supposed by the Government that the simplifying of those proceedings might interfere in any way with the convention in another country, he would regret to ask the House to take a course of that kind. At all events, after the explanation that had been made he was not inclined to press the objection he had taken, and only hoped that possibly circumstances might hereafter enable the Government to provide a more simple and inexpensive mode for parties to avail themselves of naturalization in this country. He was not aware until the fact was mentioned just now that such formalities were required in England, or perhaps he should not have taken objection. But circumstances were very different in England, where there was very little immigration from foreign countries, except of those who made that country a place of refuge. Canada, on the contrary, depended largely for its increase of population upon immigrants from foreign countries.

Hon. Mr. MILLER said his reason for urging on the hon. gentleman not to press his objection was in consequence of the proposed convention which was about to be entered into on this question of naturalization. He did not know whether he had stated that the naturalization of an alien in England required to be under the certificate of the Secretary of State, but it was in consequence of his perusal of the English law, of which he found this Bill, in many of its most important features, to be a simple copy, that he considered greater formality was desirable in this measure. It was for that reason he had taken the position referred to by the hon. Postmaster General. He was very glad that the leader of the Government had found it proper to adhere to the language of the Bill as it was first introduced to the House.

Hon. Mr. BOYD, from the Committee, reported the Bill without amendment.

The Bill was read the third time and passed.

GOVERNMENT RAILWAY LAWS CONSOLIDATION BILL.

The House went into Committee of the Whole on Bill (O) "An Act to amend and consolidate the laws relating to Government railways."

On the 10th clause,

Hon. Mr. DICKEY inquired whether it was intended to reserve to parties whose lands had been taken for the Intercolonial Railway the right to compensation.

Hon. Sir ALEX. CAMPBELL said he would ascertain whether anything was necessary in that respect.

Hon. Mr. CORNWALL, from the Committee, reported the Bill with some slight amendments.

The report was received, and the amendments were concurred in.

DON RIVER IMPROVEMENT COMPANY'S BILL.

SECOND READING.

Hon. Mr. SCOTT moved the second reading of Bill (60), "An Act to incorporate the Don River Improvement Company." He said that the Bill was opposed by certain persons in the locality where it was proposed to make the improvements. Due notice would be given to all interested parties, and they could be heard before the Private Bills Committee.

Hon. Mr. ALLAN said he had received several petitions against the Bill. As a citizen of Toronto, he would be exceedingly glad to see some of the improvements contemplated in this Bill carried into effect. They would be a great advantage to that part of the city. Still, the measure was of an extraordinary nature, and he could hardly understand how it had passed through the other branch of the Legislature without opposition, unless it was that its character was not known. He did not propose to offer any opposition to the second reading of the Bill, as it would go to the Private Bills Committee, where it would receive careful consideration.

Hon. Mr. FERRIER thought that the petitions which had been presented in the Senate to-day furnished good reasons why the Bill should not pass.

Hon. Sir ALEX. CAMPBELL thought that the Bill, in its present shape, should not pass. Irrespective of any objections of a private nature, there was very strong reason why, on public grounds, the Bill should not become law. The Grand Trunk Railway crosses the Don by a low level bridge, immediately below the locality of the contemplated improvements. It is almost within the precincts of the City of Toronto, and trains are continually crossing the bridge.

Hon. Mr. FERRIER said that the trains of the Toronto & Nipissing Railway, as well as those of the Grand Trunk Railway, were obliged to cross this bridge, and not only that, but trains were continually shunting backward and forward at that point, which increased the risk of a swing bridge.

Hon. Sir ALEX. CAMPBELL said it was safe to say that trains cross that bridge every two or three minutes of the day. The Grand Trunk Railway Company having been empowered to cross by a low level bridge at that place, and the traffic being of such a character as to make it exceedingly dangerous to have a swing bridge there, he was confident that Parliament would not sanction this Bill unless the parties were prepared to construct a high level bridge at that point.

Hon. Mr. SCOTT understood that at the time the Grand Trunk Railway Company were constructing the Don River Bridge, an injunction was granted by the courts restraining them from making a low level bridge. He did not know whether that injunction had been dissolved, but it was understood at that time that if ever a swing bridge should be required the Grand Trunk Railway would construct one. However, all the parties interested in the matter would be given a hearing when the Bill came up before the Private Bills Committee.

Hon. Sir ALEX. CAMPBELL trusted there would be no assent on the part of the Committee to the construction of a swing bridge at that point. He could fancy nothing more dangerous than such a bridge would be in that locality.

Hon. Mr. REESOR said that the County of York also had two low level bridges across the Don which would be interfered with by the passage of this Bill, and it would be unfair to force them to adopt swing bridges unless the proposed improvements were of vital importance.

The Bill was read the second time.

METROPOLITAN FIRE INSURANCE COMPANY'S BILL.

SECOND READING.

Hon. Mr. VIDAL moved the second reading of Bill (15) "An Act to incorporate the Metropolitan Fire Insurance Company of Canada."

The motion was agreed to, and the Billl was read the second time.

J. WINSLOW JONES ASSOCIATION BILL.

SECOND READING.

Hon. Mr. REESOR moved the second reading of Bill (44) "An Act to incorporate the Association known as J. Winslow Jones & Co., Limited." He said this Company was already incorporated under the Joint Stock Company's Act of Great Britain. It was doing business in the United States and Australia, and desired to erect canning establishments in Canada. Their business was canning fish, lobsters, meats, vegetables, etc., and shipping their products to all parts of the world.

Hon. Sir ALEX. CAMPBELL said this Bill was open to the same objection as had been suggested the other day with reference to the Consolidated Gold Mining Company's Bill ; there was no mention of the names of the corporators. It was a proposition to incorporate a Company registered in England. If they wished to be incorporated they should apply individually for a charter.

Hon. Mr. FLINT said it was strange that two bills of this kind should have passed the House of Commons this session. He concurred in the opinion that it was necessary to have the names of the promoters in the Bill.

Hon. Mr. VIDAL said there was a slight difference between this Bill and the Consolidated Gold Mining Company's Bill. The latter was a measure to incorporate a company having no corporate existence in any part of the Empire ; this Bill was to incorporate a Company already incorporated within our own Empire, and they proposed to produce their Act of incorporation.

Hon. Mr. DICKEY said there was a further objection to the Bill — it proposed to incorporate a company for the purpose of carrying on business in other countries.

The Bill was read the second time.

INLAND REVENUE BILL.

IN COMMITTEE.

The House went into Committee of the Whole on Bill (Q) "An Act to amend the Inland Revenue Act, 1880."

In the Committee,

Hon. Mr. AIKINS said it was found under the existing law that it was sometimes inconvenient for those who have to make declarations to be obliged to go to a Collector of Inland Revenue. He therefore moved to amend the Bill by introducing a new clause giving the Governor in Council power to authorize the taking of such oath or declaration before a Justice of the Peace.

The amendment was adopted.

Hon. Mr. HAMILTON (Inkerman), from the Committee, reported the Bill as amended.

The amendments were concurred in.

UNIFORM CURRENCY EXTENSION BILL

THIRD READING.

The House went into Committee of the Whole on Bill (66) "An Act to extend the Act establishing one uniform currency for the Dominion of Canada to the provinces of British Columbia and Prince Edward Island.

In the Committee,

Hon. Mr. AIKINS said the coin for British Columbia would be transported at the expense of the Government. With reference to the copper currency in Prince Edward Island, he understood there was very little of it there, and the same course would be taken with reference to it as had been pursued in old Canada, where pennies passed for two cents, and half-pennies and bank tokens for one cent.

Hon. Mr. HAYTHORNE said there was a very considerable quantity of new copper currency in Prince Edward Island which had never yet been in circulation, and he knew as a fact that there was a redundancy of copper coinage in that Province. It was of excellent quality, and there could be no possible reason for removing it from circulation and introducing other coin. Instead of benefiting the public it would cause them considerable inconvenience and loss.

Hon. Mr. MACFARLANE wished to know the intrinsic value of the copper coin of Prince Edward Island. He knew that it was of an inferior character before the Province entered the Confederation.

Hon. Mr. HAYTHORNE said he did not know the component parts of the coin, but it was very handsome.

Hon. Mr. AIKINS said the Government would not send copper coin to the Island so long as they had abundance of it there.

Hon. Mr. HAYTHORNE said the Government of the Island had withdrawn the old coin from circulation at a considerable expense, and replaced it with this new coinage. If they should have any trouble with this coin again, they would have to withdraw it again.

Hon. Mr. MILLER — On whom would the loss fall — the Local Government or the Dominion Government?

Hon. Mr. HAYTHORNE — The Local Government.

Hon. Mr. MILLER said it would fall on the Dominion Government. The currency had been issued before Confederation, and therefore formed part of the debt of the Island, which was assumed by the Dominion. If there should be any loss at all, it would fall on this Government, which owned the currency.

Hon. Mr. WARK said there was a considerable variety in the coin in circulation here, and he thought it should be withdrawn and replaced by the surplus copper coin of Prince Edward Island.

Hon. Mr. DICKEY thought the title of the Bill was a mistake. The House was proceeding on the assumption that it was legislating for a uniform currency for the Dominion, and yet, fourteen years after Confederation we are without such a currency. The currency of Nova Scotia is at this day,in the Capital of the Dominion, subject to a reduction of five per cent.

Hon. Mr. MILLER said he had presented a Nova Scotia $5 bill in a store in Ottawa, and had been told that there was a discount of five per cent. upon it. He presumed this was due to the system of trade which prevails in Ottawa, and to the fact that the banks of Ontario and Quebec are endeavoring to drive Lower Province notes out of circulation. No doubt if the banks in the Maritime Provinces had agencies here it would be different. It was very unfortunate that it should be so, because it tended to create a feeling that was not at all desirable in the growth of the Dominion. The people of Nova Scotia accepted the currency of old Canada at its face value, and it was rather provoking that their bills, which were redeemable in gold, should be subject to a discount here.

Hon. Mr. ALMON said the only way to obviate that difficulty would be to pass a law compelling the banks of the Maritime Provinces to have agencies up here. With regard to the copper coin of Prince Edward Island, he thought the House should proceed with great care in adopting the currency of that Province. He remembered that their notes were, at one time, made of leather, and that they aftewards adopted the Spanish dollar, and, by cutting a hole in it, converted it into a four shilling coin. Those Prince Edward Island coppers should be carefully examined.

Hon. Mr. AIKINS said the notes of Ontario banks of good standing were at a discount in the Lower Provinces for the same reason that the notes of banks in the Maritime Provinces were at a discount here — they were not well enough known to the public. He trusted, as we learned more of each other, these difficulties would disappear.

Hon. Mr. LEWIN said the discount was owing to the fact that these notes had to be sent back for redemption. Generally speaking, the notes of Ontario and Quebec banks are taken in the Maritime Provinces at one-fourth cent discount, and he did not see how this could be obviated.

Hon. Mr. MILLER — Five cents they charge here.

Hon. Mr. LEWIN — That is exorbitant.

Hon. Mr. SIMPSON said the bank with which he was connected would be glad to take them at two cents.

Hon. Mr. AIKINS — Would you not take one-quarter cent.

Hon. Mr. SIMPSON — That would not pay.

Hon. Mr. LEWIN said it was impossible to provide a remedy for the difficulty. No small bank in the Maritime Provinces could afford to have an agency.

Hon. Mr. MONTGOMERY, from the Committee, reported the Bill without amendment.

The Bill was read the third time and passed.

THE CATTLE TRADE.

AN EXPLANATION.

Hon. Sir ALEX. CAMPBELL — We have received the following cable message from Sir A. T. Galt, on the subject of the cattle said to have been slaughtered in London :—

> " Regulations not changed. Steamer *City London.* from Halifax, stopped in Thames today with cattle infected foot and mouth disease. Will be slaughtered. Disease no doubt contracted on board steamer, as she brought infected cattle from the States, Jan'y 18. Your Govt. will be warned that strictest regulations will be required respecting ships conveying cattle where they have previously sailed from Am'n ports."

Hon. Mr. DICKEY — The steamer to which I referred was the *City of Edinburgh.*

Hon. Sir ALEX. CAMPBELL — This would seem to refer to some other case.

The Senate adjourned at 5.15 p.m.

THE SENATE.

Tuesday, March 8th, 1881.

The Speaker took the chair at three o'clock.

Prayers and routine proceedings.

THIRD READINGS.

Hon. Mr. ALLAN, from the Committee on Banking and Commerce, reported the following Bills, which were read the third time and passed : —

Bill (7) " An Act to incorporate the Wrecking and Salvage Company of Canada."—(Mr. Ryan.)

Bill (34) " An Act to incorporate the Dominion Salvage and Wrecking Company."—(Mr. Ferrier.)

Bill (54) " An Act to amend the Act of incorporation of the Accident Insurance Company of Canada, and to authorize the change of the name of the said Company to 'The Accident Insurance Company of North America.' "—(Mr. Ferrier.

THE PUBLIC SERVICE OF CANADA.

MOTION.

Hon. Mr. TRUDEL moved :—

> " That an humble Address be presented to His Excellency the Governor General, praying that His Excellency will be pleased to cause to be laid before this House :—
>
> " 1st. A return of the names, origins, religions, offices and salaries, or other remuneration of all public servants in the Dominion of Canada, commissioned and not commissioned, permanent and temporary, classified according to the different branches of the service, with summings up, showing the total of the salaries of each branch, and the grand total of those of all the branches together.
>
> " 2nd. A classified list of such servants, showing from what Provinces they were taken respectively, the number of those from each province, the amount of their united salaries in each branch of the service, and the number and total amount of the united salaries of those from each province, in all the branches together.

"3rd. A classified list of such servants, according to religion and nationality for each branch of the service, showing the number of each religion and of each nationality in each branch, the amount of the united salaries of those of each religion and of each nationality in each branch, and that of the united salaries of those of each religion and of each nationality in all the branches together."

He said: The subject of which I have given notice presents one of the greatest difficulties with which we have to deal in this country. Every one is aware that complaints are continually made on behalf of the various nationalities and provinces of the Dominion, that they have not received a fair share in the distribution of patronage. I consider that sectional, sectarian or race distinctions are not the best bases on which to make appointments to the public service, but that the correct principle is to choose the most competent men for the different offices irrespective of such considerations. Yet it is a matter of justice that this patronage should be distributed as much as possible in such a way as to do equal justice to all classes of the population, and all sections of the Dominion, and I have no doubt it is the principle on which the Government is acting. I have no doubt also that amongst the complaints which are made, there are many that are not well founded, and the best way probably to put an end to such recriminations is to show that sometimes the complainants are those who have least reason to grumble. Statements have been asked from time to time on this subject, and have been published by the Government. I hold in my hand one report in response to a motion made in 1872, and I find that similar returns were made in 1874 and 1875. The motion which I make is not for an identical return, but to have classified statements showing at sight the distribution of patronage by origin, by creeds, and by provinces. In former returns submitted to Parliament, there is no such classification, so that anyone desiring to obtain the information for which I ask, would require to devote a good deal of time to studying these reports to make such a statement from them. I suppese it would not involve much work by the employes of the different departments to furnish the statistics in the form indicated by my motion.

Hon. Sir ALEX. CAMPBELL — I do not know whether my hon. friend who has made this motion considers what labor and expense will be involved in complying with the address which he asks the House to adopt. It includes not only the inside service, but also the outside service of the Dominion. To obtain the information for which he asks, correspondence must take place with the officers of the Dominion throughout the country, and returns must be made of their various ages, religions and nationalities. Then the compilation of that, and the printing of the returns will cost the country several thousands of dollars, and cannot be completed for several months. Whether there is any object in my hon. friend's mind to justify so much trouble, and so large an expenditure, I leave it to himself to say. Of course, these returns can be procured if Parliament so desire, and have been procured in the past. Whether they have been of any use in the past my hon. friend can judge as well as I or any other member of this House can. The subject will certainly involve very large expenditure, and the information cannot be secured for several months, and when procured the return will be of no use unless it is printed. It will make a small blue book. Whether it is desirable to put the country to such an expense for what I suppose is a matter of curiosity, I leave it to him to say. If there is any particular branch of the service in which he thinks there is an injustice done to his own nationality in any particular department of the service, if he would limit his inquiry to that branch or that department, we could furnish the return in a few days. But I hope he will not think it necessary to press his motion in its present shape, and ask for a full return of the ages, nationalities and religions of the public servants in the various departments throughout the country.

Hon. Mr. BELLEROSE — I am very glad that my hon. friend from De Salaberry has made this motion. I, myself, had intended to make a motion somewhat similar to his, though it would not have included so much. We may be influenced by what the hon. Postmaster

General calls "curiosity," but I say we are moved by a sense of justice towards the different nationalities of this Dominion. Only a few days ago the names of the Census Commissioners were published, and what did we find? In New Brunswick, where one-sixth of the population is of French origin, there is hardly one of them selected for this important work. In Nova Scotia, where about one-seventh of the population is of French origin, I believe not a single one has been selected. It is true those Provinces have not yet gone so far as to do justice to the minority as other provinces have done. We can only hope that they will follow the good example of some of the larger provinces. However, that is a matter with which we cannot deal here, but on a public question of this kind, it is our duty to see that justice is done to all classes in the Dominion by the Government which we support. Even in the departments at Ottawa, we do not receive the justice that we are entitled to. In the far West what do we find? All the farm instructors appointed during the last two years are of the one origin and creed. I do not blame the Ministers so much as their deputies for this state of affairs. The Ministers are responsible for their acts, it is true, but it is difficult for them to see that justice is done in all cases. I state here, in my place, that I know there is a good deal of bigotry amongst some officers of the departments, and if anyone wishes to have their names, I am prepared to furnish them. There are men holding responsible positions who are unfit for the public service in a country like ours, with a mixed population. I spoke some days ago in this House about the difficulties which led to the investigation at St. Vincent de Paul Penitentiary in 1879. What was the cause of them? There were some bigots in the Department of Justice, one of whom was obliged to resign when the investigation I have just now spoken of had been concluded. Yet when we, the representatives of the French minority, wish to look into those matters and ask for redress, we are met by the Government with insinuations such as the hon. Postmaster General has just now uttered in saying that we are moved by curiosity. Even when Ministers exchange their portfolios, changes are made in the departments, and men are thrown out of office and replaced by others. So much has this been the case that I have almost been forced to the conclusion that such exchanges of portfolios seemed to be made to afford an opportunity to dismiss a certain class of men. Under the circumstances, it is rather too much for the hon. Postmaster General to insinuate that in asking for this information we are actuated by curiosity. We, of Quebec, who have been accustomed to doing justice to the English-speaking minority of our Province, feel it hard to be met, as the hon. member from De Salaberry has been met to-day by the hon. Postmaster General, with an insinuation which should not have fallen from his lips. He must know that we have good grounds of complaint, because he must be aware that in the recent appointment of Census Commissioners, we have not been treated fairly. It is well known that in some of the electoral districts of New Brunswick, the majority of the people are of French origin — the counties of Gloucester, Northumberland, Kent, etc. In Nova Scotia, I do not say they are in a majority anywhere, but they are a large minority in some of the counties, and yet all the Census Commissioners have been taken from the English-speaking population. I hope the Government will consent to this address. If we are in error on this subject, we should know it; if not, the Government should have their attention directed to the injustice of which we complain, and grant us the redress which we seek. I have already complained to some of the Ministers of the appointments of farm instructors in the West. I was promised last year that the first vacancy which occurred should be filled by a gentleman (not a French Canadian, but an Irishman), whose appointment I had recommended. There is now a vacancy, one of the farm instructors having died suddenly a few weeks ago, but when I spoke to one or two gentlemen, not Ministers, but men interested in these appointments, on the subject, I was at once met with objections. Nevertheless, I hope that the promise which was made to me will be fulfilled, because I rely on the Prime Minister, whose attention I have called to the facts. I mention these matters to show Ministers that our eyes are open to the facts; that they cannot always rely upon the men in whose hands they usually put those important affairs, and that they should not be surprised if we occasionally feel it our duty to bring these matters before the House and the country.

Hon. Mr. TRUDEL — I may tell the hon. the Postmaster General that I am not at all actuated by curiosity in making this motion. On the contrary, I sincerely believe that in case I succeed in getting the statement for which I have moved, it will be found so useful that it will be furnished regularly hereafter, if not every year, at least every five years, and form part of the regular statistics of the country, the utility of which would be recognized by everybody. Neither have I acted from any personal knowledge of injustice actually done to my countrymen or co-religionists. What decided me to make that motion, are the comments in the newspapers, and what I have heard in this House, and in the other Branch of the Legislature — that it is customary in all parts of the Dominion, amongst people of all classes, creeds and nationalities, to express the opinion that they suffer injustice in this respect. Last year, for instance, some of the most prominent members of this House from the Lower Provinces complained that those provinces had not received their fair share in the distribution of part of the patronage, and from the manner in which they put their case I was satisfied at the time they were right, and had good grounds to complain. However, it was a question whether the apparent injustice was not compensated for in some other way. For instance, it was remarked that amongst the servants of this Chamber and the House of Commons, there were very few officials belonging to the Lower Provinces. The great majority belonged to Ontario and Quebec. My impression is that that is correct; but I suppose that in other branches of the service, for instance, the Marine and Fisheries Department, they may have received more than their fair share. If we could succeed in establishing that fact and in showing that, taking the public service as a whole, each province, or creed, or nationality receives its fair share in positions and amounts of salaries, it would tend to remove any feeling of discontent. Take, for example, the Marine and Fisheries Department and Department of the Interior. Very few officials in these Departments are from the Province of Quebec; but, on the other hand, it might be shown that in some other Departments the Province of Quebec has received more than its share, and the same might be shown in the case of Ontario. Everybody knows as to the public servants in both Houses of Parliament the largest part of the patronage is exercised by the members representing the City of Ottawa. What right have those gentlemen to command more patronage than other members of Parliament? They have none. The mere fact that a man lives in Ottawa should not entitle him to a position in the public service of the country any more than if he lived two hundred miles from here. However, it is quite natural that many public servants should be appointed from the seat of Government, because they are present here and at hand when needed, and this it seems to me explains why so many appointments are made from the population in this locality. There is a French proverb which says "good accounts make good friends." In the case of partners, for instance, if one supposes that the other is taking more than his share, they settle the question by going over the accounts and ascertaining by the figures what amount each has received. Would not that be the best, and, in fact, the only way to restore harmony and good feeling among the provinces and the population of the Dominion? I admit that in some branches of the service, certain people are better qualified for office than others; but it does not follow that those people should receive more than their share. No; because there are other offices for which another element is better adapted. In the City of Montreal we hear complaints of injustice every day. It is said that the French element absorbs all offices. I had occasion to recommend some of my Protestant friends for appointments recently, and yet not more than two weeks ago I was told that I always worked in the interest of the French element. On the other hand, the French population in Montreal complain that, although they send representatives of their own nationality to Ottawa, they recommend people of other races for appointment. So it is with the Irish; those elements of the population sincerely believe that they do not receive equal justice. If I had in my hands a statement showing that the people of a certain district, numbering so many at the last census, have their fair share of the public patronage and a larger amount in salaries than they are entitled to by their numbers, it would be an answer to their complaints and put an end to those recriminations. The hon. Postmaster General calls attention to the large expense that such a return would involve. I may say that for this reason I hesitated for weeks before placing this motion on the paper, but I would remind the House that the materials for this return will be collected for the census and that it will, consequently, involve very little additional expense. I know that it is impossible to prepare such a statement before the end of the session, but when the census returns are sent in from the various provinces of the Dominion it will be easy to compile from them the information for which I ask. I have been asked if I believe that injustice has been done to my countrymen. If I knew of any special cases of the kind I would have stated them directly, and asked for redress, but it is because I do not want to complain without having evidence before me on which to base my complaint, that I ask for this retnrn. I know there were special cases in the past, but I shall not return to them now. There can be no sound objection to my motion. Let the return be brought down, and if no injustice is done to any province of the Dominion or to any creed or nationality in the country, it will put an end to these complaints; if there is, then I have too much confidence in the people of Canada and their representatives in Parliament and in the Government to believe that it will be allowed to continue.

Hon. Mr. BOTSFORD—I regret that this question has come up in this shape, as I can see no good that can result from it. I deeply regret that so much stress should be put upon the different nationalities, and I think the sooner the people of Canada forget these strongly marked distinctions between the several nationalities which inhabit this Dominion the better, and the sooner we all feel that we are Canadians, the better it will be for the Dominion at large. Looking at the question in this light, I must confess that I can see no good that can result from this motion, and why we should pass an address which will involve so much expense, unless we feel satisfied from the arguments which are used on both sides that some good result would follow. It is utterly impossible to lay down any strict rules by which appointments can be made in the different public departments of this country. It depends not upon the fact that there are so many thousands of people of any particular nationality or so many thousands of any other nationality that appointments should be made accordingly. It is impossible under a constitution like ours, which is a representative form of Government. How are these appointments made? First, the efficiency of the applicant is looked at; then the amount of influence he has upon the representatives of the people who carry on the government of the country. Therefore, I think it is unfortunate that any such proposition should be made in order to find out how many appointments from one nationality there are in excess of those from another nationality in any part of the Dominion, and to say that some rule should be established by which appointments to the service should be made. It is impossible to establish such an indefinite mode of making appointments. Reference has been made to the Province of New Brunswick, and I was rather surprised to hear it said that injustice had been done to the French population of that Province. Now, what is the fact with respect to New Brunswick? There are two counties in that Province having a majority of French constituents, who generally have elected English speaking representatives. Reference has been made to the Dominion Parliament. Why is it that the people do not do themselves justice if they have cause of complaint? Why do they elect Mr. Anglin in the County of Gloucester when the majority of the population there is of French origin? A gentleman of intelligence of their own nationality was a candidate in opposition to him, but the French majority in the county elected Mr. Anglin, and what fault can be found with the people of New Brunswick when the people of French origin choose to elect an Irishman instead of a man of their own nationality? Then, again, look at the County of Westmoreland, one of the largest counties of the Dominion. It has a mixed population — one-third of French origin and two-thirds of English. Yet, for the last thirty-five years, the French electors in that County have been represented by a Frenchman. If there has been any feeling of hostility towards, or a desire to do injustice to, the French population of Westmoreland, a French representative could never have been returned to the Local Legislature. But the fact is there is one representative of French origin sitting in that Legislature, holding one of the most important positions in the Local Government, and he comes from a county where only one-third of the population is of French origin. Does that show that there is any hostility, or any desire to do injustice to the French population? Certainly not. Under those circumstances, I do think that the reference to the Province of New Brunswick is an unfortunate one, because there is no feeling on the part of the French population in that Province that injustice has been done them. As I stated before, you cannot lay down any fixed cast iron rules by which a certain number of any nationality shall be selected for the Civil Service. Such appointments must be governed, under a constitution such as ours, by the eligibility, intelligence and influence of the applicants, and not upon the nationality to which the applicant belongs. This address is mischievous in its tendency, and its expense should be taken into consideration, if no good result can be accomplished by it. I have no hesitation in expressing my opinion that the motion is uncalled for and unwise.

Hon. Mr. MILLER — I do not intend tosay much one way or the other with regard to the motion before the House. It is a matter of indifference to me whether the Government think proper to allow this return to be brought down or not, but perhaps in would be unwise, after the discussion which has taken place here to-day, if the motion were negatived. I think, under all the circumstances, as there seems to be some impression in the minds of hon. gentlemen that injustice has been done to certain classes in this country in regard to the question of patronage, that it would be just as well if the Government did not refuse the information desired. Otherwise, I quite agree with everything that has fallen from my hon. friend from New Brunswick (Mr. Botsford). I think it is desirable that we should endeavor to forget the national differences and sectarian distinctions that divide us in this Dominion, and as we are now united for weal or woe, the most patriotic course for us to pursue is to bury those difficulties, and deal as fairly as we can with each other in regard to all questions that come before us. My principal object in rising on this occasion was to reply to a remark that fell from the hon. gentleman opposite (Mr. Bellerose), in reference to Nova Scotia. The hon. member from New Brunswick (Mr. Botsford), has fairly answered his remarks in respect to his Province. I, myself, come from a county, which, perhaps, contains the largest French population of any county in Nova Scotia. That population is not, however, the majority of the county, and it would be hardly said to be an injustice in regard to the census, that in a county where the French population was in the minority, a French Census Commissioner had not been selected. But I may give my hon. friend an illustration of the manner in which the distribution of patronage in that county, for which I am somewhat responsible, is carried out. In that County there are five French districts: West Arichat, River Bourgeois, Lardoise, Descouse and Petit de Grat, and for every one of these districts I recommended French enumerators, with one exception — a small district — where I did not know a Frenchman who was qualified to discharge the duties of enumerator. I may say to my hon. friend, also, that the most lucrative office in that county is held by a Frenchman, placed there on my recommendation. I allude to the Collector of Customs in the Port of Arichat. I may say, likewise, that a charge has been brought against me within the last two or three years, that I have treated the English population unfairly. Since this Government has been in power the French population have got more appointments, perhaps, looking at the amount of patronage at the disposal of the Government, than the English population have received. I feel it my duty to make these few remarks with reference to one county in Nova Scotia to which the hon. gentleman's observations might be fairly applicable. I am inclined to think that in other counties in that Province, where there is a considerable French population, the same state of things prevails. Where there is a powerful minority it is able to make itself felt, and there is no attempt on the part of either political party to do it injustice. I think, if my hon. friend would take the trouble to visit the French settlements of Nova Scotia, he would come to the conclusion that no feeling of injustice pervades the minds of his countrymen in that Province with regard to their treatment in public affairs.

Hon. Mr. CARVELL — I entirely concur with the remarks that have fallen from the hon. gentleman from Westmoreland, that this is a matter which if left alone will take care of itself. The people elect their representatives, and these representatives, so far, at least, as they are supporters of the Government of the day, are consulted and have their influence in the appointments made by Government, and if these appointments are not satisfactory to the people and to the constituencies, then the representatives are very soon made aware of it and the remedy is supplied. So in the existing system, the appointments act and react, and, as the difficulty does not exist, I say there is no room for this cry about nationality and creed. I do not think my hon. friend went quite far enough in his objection to the motion. When it comes to an inquiry into the creed, or religious profession of every man who, fortunately or unfortunately for himself, happens to be in the public service, I think it is going quite beyond what might fairly be asked of Government — it is going quite beyond the privileges of Government. A man's creed or religious profession is a matter which no Government, or man has any right to interfere with.

Hon. Sir ALEX. CAMPBELL — I fear, after the remarks which have fallen from the hon. gentleman from DeLanaudiere and the hon. gentleman from DeSalaberry, that more evil would result from withholding the information than from granting the address. I may inform my hon. friend behind me (Mr. Bellerose) that I did not use the word "curiosity" in any such sense as he supposed, but I said if there was any special case, or any special department that he refers to, the information respecting it might possibly answer all his purpose, and it was simply with reference to anything outside of that, that I supposed it was a matter of curiosity. It turns out from what the hon. gentleman from DeSalaberry has said that it was not in reference to any particular department or case, but with reference to a feeling which he says is abroad by which it is said injustice is done to a certain class of Her Majesty's subjects with regard to patronage. I do not think that such injustice exists; I hope it does not exist, but perhaps it is as well to let the address go; if the House does not grant the motion it may be supposed that the Government has something to conceal, or that they are conscious there is an injustice done in some cases. As the Government are utterly free from any such consciousness or any such desire, or any desire to keep back information, we shall allow the motion to go, although it will cost a great deal of money to obtain the information that is asked for.

Hon. Mr. BELLEROSE — My hon. friend from New Brunswick, (Mr. Botsford) contends that we ought to be all Canadians and no longer English or French. We, the French majority in Quebec, have long desired that such should be the case, and, therefore, we have always in our legislation, and on all occasions, given a full measure of justice to all Her Majesty's subjects in that Province, irrespective of creed or origin. Our liberality has been such that, I may state here, the minority in that Province has not even desired, in many instances, to take advantage of the privileges offered to them. I may here mention the School Act provides for the appointment of two Superintendents of Education, one Catholic and one Protestant, but this last official has never been appointed, the Protestant minority alleging that they were satisfied with the Catholic Superintendent, who had always treated them fairly. Let the Government and the English majority of the Dominion treat the French minority with the same liberality; let them show that there exists no *parti-pris* against their nationality and their creed, and then we may expect to hear no more of distinctions of race or creed. Then, and then only, can it be expected that we shall regard ourselves as nothing else but Canadians. Such is the remedy to the evil complained of by the hon gentleman (Mr. Botsford). The hon. Senator opposite (Mr. Miller) has stated that in his Province, Nova Scotia, the majority in each electoral district were of English origin and consequently that it could not be expected that a Frenchman should be there appointed to such an office as that of Commissioner for taking the Census. Though I am the last man who would complain if a fair share of patronage had been granted to each nationality, I am sorry to have to answer that it seems to me that he (Mr. Miller) is quite wrong. If it is true that both languages, French and English, are on the same footing in this Dominion (and it cannot be denied that they are, since the Constitution so states), then I say that in a county where there is a mixed population, officials ought to know both languages, and, as French Canadians generally know both, while English do not, I am bound to say that French officials in such counties ought to have the preference. Suppose one of those officials should meet with a Frenchman, who, knowing his rights and desiring to stand upon them, would refuse to answer in English questions put to him concerning the census, who could force him to do so? No one, surely. Hon. gentlemen will see the difficulty. I am always surprised at the great opposition with which everything that is French and Catholic in this Dominion is received by the majority of the people and of their representatives, and all the more so when I consider what is going on in the United States. It was only very recently an international Congress was held in Washington to consider the question of health legislation. Delegates from different parts of the world met there, and what was the language used during their important proceedings? French! hon. gentlemen, and yet on this side of the line, where we boast of a free country, and where the French language is official, we are met with all kinds of obstacles — all means are taken to do away with its use. I hope that the Government will allow the motion to pass.

The motion was agreed to.

LAVAL UNIVERSITY.

THE DRAFT OF THE NEW CHARTER.

Hon. Dr. PAQUET (in French) — Before the Orders of the day are called, I wish to ask the hon. Postmaster General why the draft of the new charter of the University of Laval has not been produced. Some days ago a letter from Earl Kimberley was read in the House, and appears in the official reports of the Senate debates, in which the following passage occurs:—

> "I am to inform you that Lord Kimberley has already received, through the Governor-General of Canada, a petition addressed to the Queen by the Roman Catholic Archbishop and Bishops of Quebec with regard to the powers of the University, and also a draft of a proposed new charter for that institution, etc., etc."

By that letter it appears that the charter was sent to this country. Nevertheless, it was not produced in response to the address which was adopted by this House. I wish to know why this document has not been produced. I do not attribute it to any unwillingness on the part of the Government to produce the papers for which I have asked, but I cannot help observing that there has been a good deal of delay in the production of these papers, and I have had to call the attention of the hon. Postmaster-General to the matter on two or three occasions, and I trust the House will so guard its own privileges as to see that its orders are strictly obeyed. The papers which were brought down on Friday last were originals and were returned to the Department of the Secretary of State. I hope there will be no further delay in producing the copies.

Hon. Sir ALEX. CAMPBELL — I am not aware of any reason why the papers, which my hon. friend refers to, particularly the draft of the new charter of Laval University, have not been produced. When the motion was first made, the Government assented to it, and it was in the usual way carried to His Excellency, and the papers were ordered. I had supposed that everything asked for in the address was brought down, and that was the view taken by the Secretary of State, Hon. Mr. O'Connor. When I appealed to him on behalf of my hon. friend, he stated that everything had been brought down. I said "No, here are some items which have been omitted." Then the second address was passed — at all events a supplementary return was laid on the table, and I thought that that contained everything. I was then informed by the hon. Senator from DeLanaudiere there was still wanting a copy of the charter referred to in Lord Kimberley's letter. I asked for that in a note to the Under-Secretary of State, and was informed by that gentleman that there was no copy of the charter — that the original draft was not in the office, nor any copy of the draft, and, therefore, could not be brought down. The same thing is true of the petition — they were sent through the Governor General to England, and that is the reason that we have not got them now. I thought, myself, there was some feeling in some quarter, which I could not explain, that caused it, but I think I was doing injustice. There was no unwillingness to bring down all the papers, but the first address which was passed was not quite full, and, on the second occasion, everything was brought down, apparently, which was in the Department. This charter, or any draft of it, does not seem to be in the archives of the Government; very likely, for the reason mentioned by my hon. friend, who was Secretary of State (Mr. Aikins), that the draft was sent to England and remained there.

Hon. Dr. PAQUET (in French) — The hon. member says that the draft of the charter and the petition were sent to England and remained there. The petition is here; it has been produced.

Hon. Sir ALEX. CAMPBELL — It is singular if the petition is there that the charter is not to be had; but I cannot give any explanation of it. I think I sent the note from the Under-Secretary of State to the hon. Senator from DeLanaudiere, in which he stated that he had looked for the draft of the charter, but could not find it.

The subject then dropped.

TEMPERANCE ACTS AMENDMENT BILL.

THIRD READING.

Hon. Mr. VIDAL moved the third reading of Bill (M) "An Act to explain and further amend the Canada Temperance Act of 1878, and the Act of 1879 amending the same."

Hon. Mr. ALMON moved in amendment, "That the dealing in ales, porter, lager beer, cider and light wines, containing less than ten per cent. of alcohol, be exempt from the operation of the Canada Temperance Act of 1878." He said: It is with a great deal of hesitation that I introduce this resolution. In the first instance, I was very sorry to do anything which would interfere with my friend, the hon. member from Sarnia. I was pleased with the way in which he introduced his amendment to the original Act, for there was zeal in it without fanaticism, and, for a temperance speech, there was less intemperance in it than in any speech of the kind I had ever heard. He advocated temperance without thinking that everybody who was opposed to him was in favor of intemperance, and never insinuated that they were, in fact, drunkards, which temperance people generally do. He did not do so, and I was sorry to introduce anything which would displease him. There was another motive which actuated me. I was unwilling to do anything which could be tortured into supposing that I was in favor of anything like intemperance. Nobody looks upon that vice with more horror than I do. In this Canada of ours there are many houses, both the palatial residences of the rich, and the cottages of the poor, in which there are skeletons in the closet, occasioned by intemperance; skeletons which interfere with the happiness of the family and cause sorrow and terror by the rattle of their bones to the inmates of those houses. I am aware that in many a house in this Canada of ours, extending from Main-a-Dieu to the western shore of Vancouver, the widow may be seen leaning her head on her hand, with her children around her, for whom she knows not where the morrow's bread will come, looking at the empty chair and thinking that but a few short years ago, full of hope and happiness, she married the love of her youth, in the health and strength of manhood, and with their prospects bright before them. That man fills a drunkard's grave; whiskey or rum brought him to it. What may be happening this very night in many a Canadian home? The mother sitting over the half burnt embers till the small hours of the night, watching for the footsteps of her son, once her pride, and still her loved one; waiting to hear his hands on the door latch, that she may let him in, and lead his staggering limbs up to his chamber in the hope that nobody shall see his disgrace but herself. Feeling all that, if I supposed this Bill would conduce to promote temperance, although it is a tyrannical Bill, I would support it; but I am sure that no good can come of it. It is a Bill which does not commend itself to the majority of the people of this country, and why does it not? Because, as was explained by the hon. gentlemen from Fredericton, (Mr. Odell) the clauses of this Bill are of a most tyrannical nature. A man is tried for selling intoxicating liquor and his wife is brought before the magistrate and compelled to give evidence against her husband. In a case of murder or treason a wife cannot be compelled to give evidence against her husband, but in this case the opposite rule applies. Supposing the husband is guilty, what ensues! One of two things: the wife either perjures herself and loses the respect of her children, or convicts her husband by her evidence. If she perjures herself, does that conduce to temperance? Everybody knows that a mother's prayers and what she would think of her son's excesses, has kept many a man from drunkenness; but this Bill would remove that safeguard. A mother can scarcely appeal to the Deity whose name she has taken in vain; and what would a son care for a mother's opinion when he looks upon her as a perjurer? Supposing she gives her evidence against her husband — what happens then. They are joined together by the law which says "those whom God has united let not man put asunder," but does not this law put them asunder? If she gives evidence against her husband, it destroys their happiness for life. There is another clause which is even worse than this. I shall not quote the words which my hon. friend from Fredericton (Mr. Odell), used much better than I can do, but he described the case of a man brought before a court of justice for selling liquor. He is fined, and then asked if he ever was fined before. If he says "yes," his fine is almost doubled. Is this the nineteenth century? Am I right in supposing that such a law originated in 1878? No; that originated in the times of the Tudors. It wants but the thumb-screw and rack to put it down at the time of Henry VIII. Now, what is the effect of this law where it can be carried out? I have shown already that the feeling of the people cannot be in favor of it, and therefore it will not be carried out, except by the people rising up and putting down drunkenness themselves. The people who will endeavor to enforce this law will be the basest kind of informers; we see them mentioned in the papers, and a man employed as a whiskey informer has generally been guilty of some bad act before. These informers will go round to the places where liquor is sold, and the consequence will be that a person who sells liquor illicitly cannot sell also cider or light wines, because, in consequence of their bulk, they would be difficult of concealment. He must sell spirits, and of the strongest and most concentrated kind. Of course, the larger the percentage of alcohol, the less bulk it will take up, and the less liability there will be to detection. It cannot be old, it must be new whiskey and contain a large percentage of fusil oil, which, we know, is only eliminated from liquor by age. Fusel oil is a deadly poison; the largest dose which you could give a patient is three drops, and if he should double the dose he would not be alive to answer your questions when you called again. That is the stuff which this so-called "Temperance Act" will compel the inhabitants of Canada to take; and how will they take it? They will not go together to a tavern and drink it, but go round by the back way to a dark room and take this vile poison in a glass over the counter and rush out. Coming out, he will feel that he had committed a crime by breaking the law. Instead of getting drunk he becomes maddened, and there is a loss of self-respect as well, and this is what leads to crime. I do not know that we can depend on figures which appear in the newspapers, because they are not always correct; but we see it stated that crime has increased in the State of Maine since a prohibitory liquor law was adopted there. It is certainly the law of the minority, and I think, from what I have shown you, that you would have a very low opinion of our countrymen if it was not so. The case of the County of Sunbury was cited the other day. Sunbury is a county with 1,500 voters. This Scott Act was submitted to the people there, and yet less than 200 voters went to the polls to record their votes, and there was a majority of 120 or 130 in favor of passing the Act. Is not that a minority? You may say that the others did not vote, but why did they not? The majority of those who voted were Sons of Temperance, who had their secret signs and pass-words, and their weekly and monthly meetings; who collect subscribtions, and are so organized that they can throw their whole weight in any direction they like. To say that they defeated the others is to say that soldiers will beat militia. Take the case of the Orangemen or Masons; we all know that in elections they possess great power, not because of their numerical strength, but because of their organization; and they throw their whole strength on one side or the other. I shall be taunted, I have no doubt, by some of the speakers that will follow me, with being an advocate of intemperance. That will only prove to you the truth of what I have said. I have explained how the people drink now in places where this Act is in force; how used the people drink in old times? You have all read with pleasure, I am sure, "The Deserted Village;" I think one of the most touching things in that poem is the account of the village ale-house. We remember the words:—

"Obscure it sinks, nor shall it more impart
An hour's importance to the poor man's
heart."

We read who collected there: the village blacksmith. the barber, the tailor, and others of the place; they all met to talk of the news of the day. That their conversation was proper cannot be doubted, from the description of the maid who handed round the ale, which appears to have been the beverage which they drank, for.

"News, much older than their ale, went
round,
And the coy maid, half willing to be pressed,
Shall kiss the cup and pass it to the rest."

Is not that a beautiful description? You know that licentious eye was never cast upon her, her ear was never offended by a word that a maiden should not hear, and a better judge of human nature than Goldsmith never existed. That conviviality is done away with by this law, and drinking over the counter of the poison I have mentioned takes its place. Shall we ever see, if the law of my hon. friend prevails, *Noctes Ambrosianæ* again? We have all read with delight the meetings of Christopher North, the "Ettrick Shepherd," and other kindred spirits. I have visited the scene of their meetings, and I can almost fancy that the walls give back the taste of their "Attic" salt- Is that to be done away with by the operation of this law? If it had prevailed in the past what wit the world would have lost. Those men have long since gone to their graves, but any man who will read the *Noctes Ambrosianæ* will see that from moderate drinking do not result all the vices which the hon. gentleman supposes. I have proved, at least to my own satisfaction, and, I trust, to the satisfaction of a majority of those who hear me, that this law is opposed to morality. I think it will take very little trouble to prove that it is opposed to the Scriptures. We know that in the Old Testament we are told, "wine maketh glad the heart of man." Take that most magnificent poem in the old Prophecies of Isaiah: where do you find metaphors drawn more frequently than from the vineyard and the wine press? Wine is spoken of as one of the bounteous gifts of Providence. In that book which I wish temperance men consulted more — the Book of Solomon, who, I believe, was an authority on those things, and will be received as an authority in the Senate — I find this passage :—

> "And the roof (*i.e.*, voice) of thy mouth like the best wine for my beloved, that goeth down sweetly, causing the lips of those that are asleep to speak."

Now, I do not think it was very wicked to take that drink. Suppose we go a little further. We have had a little of the Old Testament, let us come to the New. I need not speak of the first miracle at Cana, but we will come to St. Paul, whose life Canon Farrar has constructed out of what appears in the Acts and a few allusions in the Epistles, and I think he has accomplished as great a work as Cuvier did when he made a bird out of a single bone furnished him. What does St. Paul say to Timothy? Not that he may take wine, but he commands him to take "a little wine for his stomach's sake." It cannot be said that the wine thus recommended was not intoxicating, looking at its effects on the old gentlemen, Noah and Lot. If it had not fermented would it have burst the old bottles when it was put in them? That wine, taken in excess, was just as injurious as the wine used in modern times. I have no doubt that that wine had a very good body in it, and was stronger than the kind that I wish to have used in this country. What I wish the House to do is to admit light wines into this country under 10 per cent. of proof. Now, is drinking French wines likely to induce drunkenness in Canada?

Hon. Mr. VIDAL — Can you get them?

Hon. Mr. ALMON — If we cannot get them, the law is inoperative, and can do no harm ; if we can, the wines cannot have any injurious effect. Most of us, no doubt, have had the pleasure of visiting France. I am only sorry that I could not stop there longer and did not go earlier. At breakfast in that country they put down a pint of wine before you, but it does not make you drunk. Walk on the boulevards; you see men with wine everywhere. I have often wondered at the time wasted over it, but that was the only ill effect I could perceive from its use. In France you very rarely meet with a drunkard, and yet, when Frenchmen come out here, and cannot get that wine, perhaps as large a portion of them cross over the bay as of Anglo Saxons. I do not think that their temperate habits are due so much to the nature of the race as to the facilities for procuring good wine in France. You do not see drunkards in Spain. I have seen Spanish vessels come into Halifax with a cask of Cataline wine on the deck, with a tin cup beside it, where every man on board can help himself freely. They come on shore, and when they get into a row with our people, they call them "English drunkards." They feel that they are not drunkards themselves, though they have wine continually supplied to them. You go to Italy, and you find the same temperate habits prevailing there. My hon. friend asks "Where can you get good wine?" To my taste there is a very excellent catawba wine made here in Canada, and I have tasted a red wine made here likewise, and I do not see why the cultivation of it should not be encouraged. If we could not raise the grape here, we could import it and make our own wine, but I am convinced that, with our climate, we could produce wine here. But if you cannot make it here, why not import it from France? There is a very high duty on it, and I was in hopes that it was imposed with a view to bringing about a commercial treaty with France, but, if that is not the case, with all due deference to the leader of the Government, if I was in the other House, I should move that the duties be removed from these light wines, which, I contend, should be admitted at a nominal rate. I am convinced that the high duties do not tend to increase the revenue, because they prevent the use of those wines. I did not include cider in the original resolution of which I gave notice, because I never thought that my hon. friend would have the cruelty to deprive the natives of Nova Scotia of the liquor they make for themselves. Several counties in that Province are one great orchard, and the people have no use for the apples but to make cider from them. I remember that, when I was a boy, they used to make water cider. After the first juice has been expressed, water is thrown upon the residue and, having been allowed to stand for a time, it is again pressed; water cider is the product, and that cider is given to the laborers; but, as charity and temperance do not go together, the temperance people would deprive these poor men of that beverage. Was there anything particularly wicked in the convivial parties which used to take place in our youth? I suppose my hon. friend from Sarnia sometimes, like myself, takes a solitary walk, or lies for hours in bed unable to sleep. What does he do them? Though youth lives in the future, age lives in the past. I do not believe the world is so bad as clergymen say it is. No; it is marked with many a white stone. Looking back to your college days, when youth was budding into manhood, you recall the days spent with your friend, and it is only in youth that a friend can be made who "sticketh closer than a brother." You recall the scene in the fields when, sitting beneath the shady boughs of a tree, with your flagon of ale before you; as the contents of the flagon diminished, your heart enlarged, and you felt that you would share your last shilling with your friend, that, shoulder to shoulder, you could go through the world with him, surmounting all difficulties in your path, and should even impossibilities present themselves you felt that, using the Scotch proverb "a stoot heart to a steep brae," you could overcome them. Your heart warmed, and what did you think of? Did not the girl that you loved come before you? Did not her eye appear brighter and her smile sweeter; did not your hand appear to feel the pressure which a few evenings before it had received from hers in that long leave taking over the stile; did not your lips — but no, in that day Miss Braddon had not written her novels and round dances were not. I am informed that an ancestor of my hon. friend from Sarnia was one of those glorious captains who carried the British flag triumphant over every sea. We will suppose that, with his boats' crew, he boarded an enemy's vessel and threw himself over the bulwarks on the deck where he was certain to meet warriors worthy of his steel. If the "deck it was their field of fame," was their victory less glorious? If, on the contrary, "the ocean was their grave," when they appeared before that High Tribunal, was the sentence passed on them less tempered with mercy because they had waited anxiously for the sun to cross the fore-yard to get their customary glass of grog? I think not. My hon. friend may tell me that this is all very fine, but if people do not drink intoxicating liquors they cannot get drunk. That is a truism, but it does not follow that we should not drink at all. Let us try the *argumentum ad absurdum*. Without feet people cannot have toes. That is an axiom; but the surgeon, in removing diseased toes, would not take the foot off at the ankle. Great evils have happened from married people kissing those they should not kiss; will, my hon. friends say that we should, therefore, pass a bill to prevent a married man kissing anybody? No, even I, old as I am, would not consent to that, and I am sure that the fair home rulers who preside in our homes, will, to use a common expression, be "with me to a woman." Take another case. Suicides are often committed with razors; would you pass a law to prevent anyone from using a razor? I think not; but a medical man, if called in to attend a case of suicidal insanity, would have the razors in that house locked up. So, I contend, instead of preventing the use of intoxicating liquors of any kind, we should punish drunkards and those who make them drunk. Having gone thus far, I desire to propose a compromise to my hon. friend. I have convinced him, I am sure, that I am correct; let him strike his colors now, as his brave ancestor would have done when overpowered, and, instead of trying to put down drinking, join with me in endeavoring to put down drunkenness. Introduce a bill punishing drunkenness, and providing that no person holding a license shall sell liquor to minors, habitual drunkards, or persons they may be warned against supplying with intoxicating drinks, and I will support such a measure. You may say "how are you going to prevent those people from selling spirits? If they are allowed to sell wine they will sell all kinds of intoxicating drinks." I reply that a man who sells light wine, ale, etc., must have a license, and, if he is suspected of selling other kinds of liquor, a constable can at any time search his premises. In the wretched places into which this Bill would drive the traffic, you could not get into the premises to make a search without committing a breach of the peace. I will be very happy to act as lieutenant under my hon. friend if he will agree to this, and any little influence that I possess in the town where I am known I shall be glad to exercise against drunkenness, but I will not have anything to do with a movement to prevent people from enjoying the bounties that God has given them. What right has my hon. friend to apply the word "temperance" to his measure? The word is derived from the Latin word *tempero*, the first meaning of which, he will find by consulting his Ainsworth, is to mix, and you may temper your beverage with hot or cold water to suit your taste. Temperance does not mean total abstinence. I am willing to sail under the true temperance banner, believing that those whose views I represent are the true temperance society.

Hon. Mr. FLINT — I wish to call the attention of the House, in the first place, to the amendment which the hon. gentleman has offered here to-day, and the one which he placed on the notice paper last Friday. They are not the same amendment, and it strikes me that it should not be allowed.

Hon. Mr. ALMON — I dropped the first one after consulting with the legal adviser of the House. The reason I move my amendment now, instead of in committee, is that my remarks shall be reported in full.

Hon. Mr. FLINT — It strikes me the rule is that, when an hon. gentleman puts a notice of a motion on the paper, he has to adhere to it, and cannot, without notice, substitute a new one when he comes to move it. I have had no notice of the change that the hon. gentleman has made here to-day. Whether the hon. gentleman is in order or not I do not know, but I appeal to the Speaker. I shall occupy the attention of the House, only as short a time as possible, in discussing this matter. I am glad of one thing, and that is that the hon. gentleman in speaking has adopted the cold water system, and has taken a considerable amount of it. I am glad to see hon. gentlemen who oppose the principles I advocate taking cold water at any time. Whenever the question of interfering with the liquor traffic comes up, whether it be in this House or in the other Chamber, it appears to create a great deal of opposition. Probably that is only fair, and no one has any objection to it, but we who are doing all in our power to abolish the liquor traffic and ameliorate the condition of our fellow men who are addicted to intemperance are often alluded to as fanatics. I do not know if I call a man who drinks liquor an intemperate man that I am further out of the way than the man who calls me a fanatic because I simply will have nothing to do with it. Now, what are laws made for, and what is the object of the law? Laws are made for the suppression of all sorts of crime, such as murder, arson, robbery, etc.; but, notwithstanding the fact that we have such laws on our statute book, and criminals are brought before our courts from time to time and punished, crime continues to exist, and all the laws that we have made for the purpose of abolishing it have been, to a great extent, ineffectual. Yet we find, when we come to speak in reference to this temperance question — if you please to call it so — we are told at once we cannot make the law operative; that it is of no manner of use to pass such a law; if it is passed, the people will not obey it, and, if the people will not observe it, there is no use in passing it. If there is no use of passing such a law, what is the use of enacting laws with reference to murder, arson and robbery, and other descriptions of crime? We do not expect that the people will all obey them, but we certainly expect that a great many will, and I am surprised that the hon. gentleman should tell us that the Canada Temperance Act will not be observed. If that is the view that hon. gentlemen hold and enunciate here on the floor of the House, do they not enunciate the same principle at home, and how can it be expected that the people will do otherwise than break the law? I think it is hardly fair to say that because my hon. friend from Sarnia has seen fit to bring in a Bill to make the Scott Act more workable that he is a fanatic, and it is wrong to call me a fanatic; still I would rather be called a fanatic to the day of my death than put the bottle before my neighbor's mouth, or induce him to take a glsss of anything that I believed to be injurious to him. These are the principles I hold; they are the principles of my hon. friend (Mr. Vidal), and I believe they are the principles of a great many others in Canada, and, while others have a right to their private opinions in reference to these matters, we have a right to ours. In all my experience as a temperance advocate, I have never endeavored to force my principles down the throat of any man. I lay them before him in a reasonable manner, and if he does not see fit to adopt them, it is not my fault. I have discharged my duty, and I am responsible no further. My hon. friend gave us, at the commencement of his speech, a very good temperance lecture, and I began to think he was coming over to our side, and I naturally thought he was going to withdraw his amendment, and allowed the Bill to be carried in its present state. But as he went on he seemed to wax a little warmer, and finally got on the old strain, and began to tell us the evils that we were to bring on the people with reference to this very measure. I cannot see that there is any evil in it. As I stated the other day, I am not in favor of the Scott Act, and, had I been here at the time it was passed, the probability is I should have voted against it, because I am in favor of total prohibition; but, as we have that Act, we should give it an opportunity to work, and to show whether it will be beneficial or not. It may not be the case down in Nova Scotia or New Brunswick. Because they have certain laws there, and this Act is inoperative, it does not follow that it will not be operative in the Province of Ontario and elsewhere. Give it an opportunity to work, and see what it will do. Give it a few years, at least, and if it does not do some good to the country repeal it. I am not so wedded to any measure that I would be willing to burden the people of the country with it if I did not believe it was going to be a benefit to them. My hon. friend wandered here and there in his speech, and if I had been a snake in the grass I could not have run as fast or as crookedly from one thing to another as he did. Therefore, it was impossible for me to follow him. But there is one thing I am quite certain about, and that is that the people of the County of Sunbury were in favor of the Act. It is quite evident that if an election took place throughout the country, and the majority of the people had to go to the polls to vote for a member of Parliament, there would be very few members sent to Parliament. People will not do it. You cannot force them to go to the polls, and, although there is some talk of bringing in a bill to force people to vote, or punish them if they do not, I am sure of one thing, I would go to gaol rather than be coerced in that way. If the majority of the votes taken is in favor of no license, or in favor of the Scott Act, I say that it ought to carry. It was only a few days ago, on the 19th of February, that there was a vote taken in two townships back of Belleville as to whether there should be licenses or no licenses. There were nearly three hundred voters, and of those only about one hundred and thirty voted, but the majority was against the granting of licenses. Now, would it be fair to say that, because that majority was not a majority of the whole vote of the township, there should be licenses issued, and that the Bill should be inoperative? I say it would not. I say the same principle should prevail as in our general elections in reference to this matter. If the majority at the polls have cast their votes for the measure, the measure should be considered as carried, and no attempt should be made to provide that the majority of the whole electoral vote should be required to carry it. My hon. friend from Halifax has spoken of the introduction of French wines. He said we could import French wines into this country. Does not the hon. gentleman know well enough that all the wines made in France do not begin to be a tithe of what are called French wines; and that little or no French wine is ever imported into other countries, and that the wines that would come here would be made of whiskey and other materials. If he does not know this, I do, for I was engaged in my youth in the liquor traffic, and I know of what I speak. As to the introduction of French wines, it is out of the question, for if we get those wines they will be nothing but manufactured stuff, which will not be wine at all. Now, it strikes me, it is a very curious thing that a gentleman belonging to the medical profession — and I suppose my hon. friend stands at the head of his profession; no doubt he stands high in the profession where he lives, and I am not going to dispute that point with him — but it does strike me as curious that after a long experience, and knowing that so many hundreds and thousands of medical men in Great Britain, the United Statos and other countries, have declared against the use of ardent spirits in any shape, that he should here undertake to advocate upon the floor of this House the use of liquor in the shape of beer and wine. Doctors differ, and the patient dies, but I can assure the hon. gentleman of one thing, that if I were ill he would be the last physician I would send for.

Hon. Mr. ALMON — I might be called in by the coroner.

Hon. Mr. FLINT — I could not help that, and I think the coroner would be very foolish if he called the hon. gentleman in. Under all the circumstances, I have just cause for taking the ground I have adopted in reference to the amendments to the Scott Act, and I trust that the Bill will be carried by a considerable majority. I do not think, however, that the Scott Act will effect a general reformation in liquor drinking. There is but one thing that can do it, and that is total abolition of the importation, manufacture and sale of intoxicating liquors. I hold that every dollar of money that the Government raises by way of revenue out of the liquor traffic is blood money, and I am afraid it will yet come back with fearful retribution on our country. I think the revenue could be raised in some other way, and I believe, if the Government and country would come to the conclusion to do away with that accursed traffic altogether, that in a very short time we would be in a better state financially, and certainly more prosperous and happy; that, instead of losing some six thousand souls every year by drunkenness, we would have a sober people. I do not say there would not be some persons who would by some means or other obtain liquor. We could not help that; but it would, at all events, be hard to get it. Notwithstanding all that has been said about going down into Maine, and getting it in one place or another, and notwithstanding the assertion that there has been an increase of crime since the abolition of the liquor traffic, I cannot bring my mind to believe that, where the liquor traffic is done away with or put out of sight, crime can increase. It may be said that it does increase, but we find that people who are sober and industrious, and attend to their own affairs, are not criminals. We find that nine-tenths of the cases that comes into the courts are caused by intoxicating liquor. They are not caused by cold water, at all events. Consequently, I cannot bring my mind to believe that crime in the State of Manie is the result of the prohibitory liquor law. I would only say, in conclusion, in reference to this matter, that in supporting this measure I feel I am discharging a duty which is incumbent upon me, and in doing so I have great pleasure in voting against the amendment. If the amendment is carried, the Scott Act is destroyed to all intents and purposes, and is not worth the paper on which it is written, because, while you give people an opportunity of having beer, wine and cider, they will have stronger stimulants, and mix them. I know of many who have endeavored to abandon the use of intoxicating liquors, and succeeded; but have been brought back again into a state of drunkenness in consequence of taking beer with a stick in it. As to strong beer, I can assure hon. gentlemen that I have had it tried for the purpose of seeing how much alcohol there was in it. At a meeting held in Belleville a great many years ago, we had two persons present with a still for the purpose of distilling various kinds of wines, to show how much alcohol each quality contained. They spoke of beer as also containing alcohol, when a brewer rose up in the House and said there was no alcohol in his beer, and he would defy them to get any out of it. I said: "If you will come down here I will send a gentleman with you, and you can get a quart of beer from your brewery and try it." He willingly consented, took a decanter himself, filled it with his own beer, brought it back and placed it on the table. I said: "Now, sir, I want you to take that still, examine it thoroughly, and say whether there is anything in it." He did so, and said, "There is nothing in it; it is perfectly clean." I said: "Pour in your beer.' He did so; fire was put under it, and in a short time it began to throw off the spirit, and after it had finished throwing off the alcohol we produced one wine glassful and a half of alcohol from that decanter of beer. The rest was sent around in tumblers to all parts of the House, so that parties present could taste it; but it smelt like bilge water, and they could not place it to their lips. If there was one glass of strong alcohol in one quart of that beer, I say one quart of that beer would make a man drunk.

Hon. Mr. DEVER — There is just four per cent. of proof alcohol in a quart of beer.

Hon. Mr. FLINT — I say I saw it taken out myself, because I was present at the meeting.

Hon. Mr. BROUSE — Whose beer was that?

Hon. Mr. FLINT — It was that of a man named Asahel Elmer, who is dead now.

Hon. Mr. AIKINS — Then he is on his bier.

Hon. Sir ALEX. CAMPBELL — It cannot be.

Hon. Mr. FLINT — I say to the hon. the Postmaster General it was a positive fact, as I saw it myself.

Hon. Mr. SIMPSON — Had you the proper appliances to test it?

Hon. Mr. FLINT — Yes; we had all the appliances to test it.

Hon. Mr. REESOR — I think, hon. gentlemen, that this is a matter of really very serious importance. The country decided within the last few years that this prohibitory measure should be in a position to be tested throughout the Dominion to the extent that the people might desire, and the amendments proposed in this Bill are merely to make the Scott Act operative, and nothing more. The amendment proposed by my hon. friend from Halifax (Mr. Almon) is of that character that it would necessarily interfere very much with the operation of the Scott Act. Now, he might introduce a bill containing certain provisions that he has referred to in his speech — for instance, one to amend the Scott Act in respect to the provision to which he alludes, where a wife may be called upon to give evidence against her husband. I think it is a very debateable question; and it strikes me very forcibly that it is a provision that ought not to exist in any statute that a wife should be compelled to give evidence against her husband. It is an exceedingly dangerous provision, and might prove a fruitful source of discord in the family, and the unfortunate wife suffering abuse from her husband if she told the truth; whereas, if she should give false evidence, she would lose her own self-respect, and the respect of her children and friends. So that in either case she is placed in a very awkward position. It is an additional illustration of the wisdom of the old English law under which you are not allowed to bring up a woman to give evidence aginst her husband in any civil action. Hence, if my hon. friend wishes to amend the Scott Act, and if he will bring up a separate bill embodying those amendments, I think he might succeed in carrying it. But he has not introduced anything in his amendment that will remove the objection to which he refers as now existig in the Scott Act. I do not think that serious evils can necessarily follow from the use of the light wines that can be produced in Canada any more than from the use of cider. We know that cider has been made in Canada from time immemorial, and it has been used without stint, and there has been no legislative interference. The same may be said of our home made wines. These light wines make a very pleasant drink to many persons, and I think where they are properly made they are not injurious. I do not think that the use of them would lead to intemperance. If my hon. friend would bring in a Bill authorizing, where the Scott Act is in operation, the sale of these light wines under municipal regulations, where the Councils choose to authorize it, in many places it would, no doubt, be satisfactory. But, as to the present Bill, it would be better to allow it to pass in order that the Act of 1878 may have a fair trial. The amendments proposed by the hon. gentleman from Halifax might be brought forward a year or two hence should experience in the meantime indicate their desirability, but I do not think it is desirable that his amendments should be passed at the present time.

Hon. Mr. SCOTT — Before the vote is taken I wish to make an observation or two. It will be in the memory of hon. gentlemen that for some years anterior to 1878 — from 1874 downwards — as this House was in session thousands of petitions were presented from all parts of the Dominion asking that a prohibitory law might be introduced. A committee was struck in this House one year to consider those petitions, and that committee was somewhat favorable to the introduction of a prohibitory liquor law. My own view then, as my view is to-day was that a prohibitory law for the whole of this country would be unwise; that the public were not sufficiently educated up to the great advantages that would flow from the total abolition of the liquor trade and the total denial of drink Until the public mind was educated up to that point, my own view was that it would be wiser to legislate in the direction of what might be called "local option." In furtherance of that opinion, and in compliance with the then will of Parliament, a measure was introduced in 1878—what is now known as the "Canada Temperance Act." That measure was introduced in this Chamber in the early part of March, and this Senate gave its untiring time to the consideration of the several clauses in that Bill. It remained in this Chamber and was discussed, not day by day, but with short intermissions for nearly a full month, and every clause of it was thoughtfully considered. It was believed that that measure, if placed on the statute book, would give the people of this country an opportunity of testing whether the Local Option Law would be a success, and whether the time would ever come when the people of Canada would be educated up, in my judgment, to that high level which would enable a future Parliament to absolutely prohibit the manufacture and sale of intoxicating drinks in this country. That law has been on the statute book now for less than three years. We know that it has given satisfation to a very considerable number of the people of this country; it has been introduced in several localities in the Dominion, but the working of the law, owing to the time being so extremely short, has not been thoroughly tested. I think it would be a very grave mistake if this Chamber, at this moment, were to destroy the legislation to which they themselves have devoted so much time and attention. Whatever our own individual views may be as to the wisdom of total abstinence, or moderate drinking, we must all admit that there is a considerable number of the people of Canada that must be recognized as anxious to serve, not only themselves and their families, but the people of this country, and, acting under the belief that a measure of that kind was in the best interests of the community, they have prayed for this law, and they ask that it should be given a fair trial. I think myself it would be a retrograde movement, and that it would be a mistake for us, after exhausting so much time to frame a measure of this kind, to deny it that fair trial that every law should obtain to enable the people to judge whether it is a wise, or hasty, or injudicious measure. That law has not had a fair trial, and the effect of carrying this amendment will simply be to destroy that Act. I have watched the working of this law, not in Canada alone, but elsewhere, and I have not come to the same conclusion as the hon. gentleman who moved this amendment, namely, that crimes had not decreased where temperance laws prevail. I have the report of a commission appointed in 1875 to inquire into the working of a prohibitory law in the State of Maine, and I tell him that the invariable testimony given before that Commission was in the direction that wherever the law was adopted, whether in force fully or partially, the effect was to greatly diminish crime. I have also a report that was presented to that Committee by the Inspector of State Prisons, in which he gives a classification of crime. He takes the two years 1867 and 1868. In one year the law was in force, and in the other it was not. In one year a prohibitory liquor law was in existence; in the other there was no restraint on the sale of liquor, and what do we find? In the year it was not in force, taking the month of February, the committals for crime were 30 as against 15 in the year the prohibitory law was in force; in March there were 19 as against 13; in April, 16 as against 4; in May, 17 as against 12; in June, 15 as against 7; in July, 17 as against 6; in August, there were 11 as against 3, and in September there were 11 as against 3. That testimony would be confirmed by the judgment of every gentleman who now sits on the bench, particularly in the Province of Ontario; and I find that the same opinions have fallen from judges in other portions of the Dominion. As far as the Province of Ontario is concerned, hon. gentlemen will find that the addresses presented to the grand jurors by the judges all agree in the statement that crime is largely owing to the pernicious influence of intoxicating drinks. The reasons why I consider that the carrying of the hon. gentleman's amendment would destroy this Bill are as follows: if parties were allowed to sell all light wines and beer it would simply be a cloak for selling liquors of a stronger character. We know that that would be the effect, and it would be utterly impossible and hopeless to restrain them. You would have to have analyists in every town and village over the whole country. It would be impossible to obtain professional assistance to analyse what would be placed before the people. The hon. gentleman has drawn a very beautiful picture of the state of society as he remembers it many years ago and as described by poets, and the effect on the people of drinking pure liquor. But the hon. gentleman will not find that the liquor drank in this country to-day will produce any such effect. I deny that pure liquor can be obtained to-day; I deny that five per cent of the liquors that come into Canada are pure and unadulterated. I have watched very closely the last twenty-five years the character of wines in use, and have made myself a fair judge during that time of what wines were, and I say advisedly that the character of wines changes year by year, just as the fashions change. They are dry, or fruity, or thin, or full bodied, and they are all manufactured. If any hon. gentleman will take the trouble to read the history of the wine trade, I will refer him to some able articles on the subject that appeared a few years ago in the *Pall Mall Gazette*, and he will find how wines are made abroad, and particularly for export to this continent; he will find that they are all more or less manufactured. Those dry wines have their dryness imparted to them by what is really a poison. There can be no doubt about that. It is not a natural flavor for wine to be dry; it is only the result of chemical action by the introduction of elements destructive to the human body. I can point also, as an illustration of what I say, to the fearful amount of insanity that now prevails as compared with the past. We find it impossible at the present day to build asylums fast enough to accommodate those who require to be sent there owing to their indulgence in strong liquors that are made poisonous by the manner in which they are concocted. If you adopt this amendment, and allow light wines to be drunk, it would simply result in their being loaded with alcohol of some kind or other. The hon. gentleman talks about wines containing less than ten per cent. of alcohol; all I can tell him is that wine of that strength would not keep in Canada unless it is stored in a very low temperature from May to September. You could not keep it unless it was hermetically sealed.

Hon. Mr. DEVER — The percentage of champagne is only from 12 to 13.

Hon, Mr. SCOTT — A great deal of the champagne is 25.

Hon. Dr. ALMON — Judge Black must be the authority for that.

Hon. Mr. SCOTT — Some wines are very much stronger than other wines; the proportion would be from 14 to 22 — certainly there is very little champagne that contains less than 14 to 15 per cent.

Hon. Sir ALEX. CAMPBELL — You said just now 25 per cent.

Hon. Mr. SCOTT — I say there are champagnes that are up to 25. I say that a fair line may be taken as between 15 and 22 per cent.

Hon. Dr. ALMON — The hon. gentleman does not know what he is talking about.

Hon. Mr. SCOTT — Hon. gentlemen will see it would be impossible for wines of less than ten or twelve degrees of spirits to be sent over this country in the summer season. Gentlemen who have long purses and keen palates, and who can afford to import their wines and keep them in cool cellars, will, no doubt, continue to import wines for their own use, whether this act is in force or not, but we are now legislating for the great body of the people, not for a few exceptional cases, and, therefore, we should shape our legislation so as to suit the largest number. My own view of this question probably may be regarded by many as somewhat extreme, inasmuch as I do not believe in the efficacy or value of wine in any shape, although, no doubt, many enjoy it as a pleasant drink, and taken in moderation its deleterious effects on some constitutions may not be perceptible. But I take the ground that under no condition can it be valuable, nor can it add permanent strength or vitality to the system. The question is a very important one amongst medical men whether it is useful, under any circumstances, in medicine or not. Some medical gentlemen entertain the opinion that it is is not only wholly unnecessary, but that its use is injurious. That is a question that we need not discuss. Gentlemen of the medical profession may hold their own views on that point. This law does not interfere with the use of liquor for medicinal purposes, and in no way disturbs the right of medical men to direct that persons may use it under certain conditions, and there are places appointed where liquors may be kept for such uses and other purposes. For these reasons, and more particularly as it is a question I do not desire to go into at any length, as it is a very large one, I do think that this House, having given so much time and attention to the consideration of this measure, and having made it what may be called a very perfect one, as it had that compliment paid it in the British House of Commons, where it was directed to be printed for the benefit of the people of England, and where a vote on local option was taken not long ago, when two hundred members of that House expressed the opinion that the local option was a good one, and were in favor of its adoption in England, the law should be given a fair trial. As an educator of the people it is on our statute book. It has not a general application, though an hon. gentleman who comes from a section where probably for twenty-five years this law will not prevail took exception to it. I think this hon. gentleman ought to have some consideration for the people who live in other provinces, and who think some permanent results will follow from the introduction of this measure. I think, therefore, as it is a law that affects other sections of the country, it would be at least more fair on the part of that hon. gentleman to allow it to stand on the statute book until it has had a fair trial. It cannot have had a full trial in the short time it has been in existence. I do not know that it has been in existence in any county for two years. It has been on our statute book less than three years, but it takes, under ordinary circumstances, nearly a year before the law can be brought into force, from the peculiar machinery that is provided for that purpose. Hon. gentlemen agree that intemperance is a bad thing. I never heard a more pathetic or touching speech than that with which the hon. gentleman from Halifax favored us in introducing this amendment, but I certainly did think it somewhat paradoxical, when he gave us that introduction, that he fell from that, and at once pronounced a condemnation of this law. He himself seems to be, at all events, fully conscious that there are grave evils in over indulgence in intoxicating liquors. He believes that men ought to be restrained, that the opportunities for drinking ought to be removed from them, because it is practically the sequence of the opinions that he expressed in his introductory remarks.

Hon. Mr. ALMON — I say it is to be removed from those who misuse it, not from those who use it.

Hon. Mr. SCOTT — It is of the people who misuse it, I speak; it is for the people who would like to have it removed from their sight that I speak; they are those who have not the power to restrain themselves when they see it within their reach. That is the class, I think, who will be most largely benefited by the measure. There is a large class educated up to believe that it is a bad thing to the system and to the mind to use intoxicating drinks; that class is perfectly safe. There is a very limited class who will defend it as a right and proper thing to do, but there is a very large class who have not firmness of mind or moral power to resist temptation when it is placed in their way, and it is for that class I make an appeal to this House to let the law stand until it has had a fair trial for five or six years, and if it does not work right then it will be time to strike it off the statute book. Let it in the mean time get a fair test.

Hon. Mr. CORNWALL moved the adjournment of the debate.

The motion was agreed to.

The Senate adjourned at 6 p.m.

THE SENATE.

Wednesday, March 9th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

THE RYLAND CASE.

SUPPLEMENTARY RETURN.

Hon. Sir ALEX. CAMPBELL submitted to the House additional papers asked for by the hon. member from Amherst, and said that some of the papers requred were not to be had. He read a letter from Colonel De Winton, the Secretary of the Governor General to that effect.

BILL INTRODUCED.

Bill (59) "An Act to incorporate the Moncton Harbor Improvement Company." — (Mr. McClelan.)

GOVERNMENT RAILWAY LAWS CONSOLIDATON BILL.

THIRD READING.

Hon. Sir ALEX. CAMPBELL moved the third reading of Bill (O) "An Act to amend and consolidate the laws relating to Government railways." He said: When this Bill was in Committee the hon. gentleman from Amherst drew attention to one of the clauses of the Government Railway Bill, in which provision was made for compensation for those whose lands might be taken, and noticed the absence of that provision in two subsequent clauses. I went to the office of the Minister of Justice, and ascertained with reference to the first clause that it was new, and referred to lands which were to be taken in the future. With reference to the other clause, that merely provided for the omission of one or two steps which were necessary for the purpose of acquiring a title to land, and under which land has been acquired in the past, under statutes of the Dominion and of Nova Scotia. But the statutes which were acted upon in the past, and not completely acted upon, provided for compensation, so that there was no necessity for introducing it again. The Minister of Justice was not aware that there was any case in which compensation is requested, but if there should be such a case, it is provided for in the original statute.

Hon. Mr. DICKEY — The hon. gentleman is perfectly right in having any defect there might be in the Act remedied. All that I care for is that if there is any right to compensation, it shall be reserved.

The Bill was read the third time and passed.

INLAND REVENUE AMENDMENT BILL.

THIRD READING.

Hon. Mr. AIKINS moved the third reading of Bill (Q) "An Act to amend the Inland Revenue Act, 1880."

The motion was agreed to, and the Bill was read the third time, and passed.

TEMPERANCE ACTS AMENDMENT BILL.

THIRD READING.

The Order of the day being called for resuming the adjourned debate on the Mr. Almon's motion in amendment of the motion of Mr. Vidal "That the Temperance Acts further Amendment Bill" be now read the third time, and which is as follows, viz.: "That the said Bill be not now read the third time," but that it be further amended as follows: Page 2. line ult. After "thereof" add clause B:

"CLAUSE B.

"That the dealing in ales, porter, lager beer, cider and light wines under 10 per cent. of alcohol, be exempt from the operation of the Canada Temperance Act of 1878."

Hon. Mr. CORNWALL said: Since the motion which is now before the House was first made yesterday afternoon by my hon. friend from Halifax, three hon. members of this House have spoken in opposition to that motion. I am sure we all listened with interest to the manly, straightforward address that was made by the hon. gentleman who first opposed the motion — the hon. gentleman from Belleville (Mr. Flint.) I admired the address, particularly from one point of view, inasmuch as he expressed himself as distinctly opposed to coercion in any shape or form. In referring to the question of compulsory voting, the hon. gentleman said distinctly that if it ever occurred that he might be lawfully required to vote on any particular question, that in place of registering his vote under such coercion, he would rather go to prison and be subject to the penalties incurred by his refusal. Now, I admired the hon. gentleman in enunciating such a principle as one which every honest, manly Englishman or Canadian would more or less echo from the bottom of his heart; but I was surprised that the hon. gentleman should give expression to such a feeling when he was supporting from his place in this House a Bill which is coercive, if nothing else. We have heard of coercion in another place lately. Our attention hasbeen called to the Coercion Bill, which has recently passed the Parliament of the United Kingdom, but that Coercion Bill has been passed in response to the general wish of the country — passed by an enormous majority, and passed to meet a grave emergency, but we have an Act on the statute book which enables a small minority of the inhabitants of any district of the Dominion to coerce the great majority of that district, and to prohibit the exercise of their free will on a matter as to which all men are sensitive. The hon. gentleman further on, in the course of his speech, made an allusion which hardly had the force he intended to give it, and which, perhaps, is hardly applicable to a discussion such as this is. He referred to the receipts of revenue derived by the Government from customs and excise as "blood money" extracted from the people; and yet the hon. gentleman when he made such a remark as that — when he so described one of the principal sources of the revenue of this country — must have been aware that he himself was participating in that blood money, as he sits in this House, and gives his attention to the affairs of the country, for which services on his part he is paid a certain allowance.

Hon. Mr. FLINT — I am willing to take my share of the responsibility.

Hon. Mr. CORNWALL — The hon. gentleman who succeeded him (Mr. Reesor), I was glad to find, was in accord with the principle which is advocated by the motion now before the House. He went so far as to say that under the circumstances he would be inclined to support that motion, although at present he did not feel that it was brought forward in a proper or satisfactory way. However, we may feel sure that, whatever may be the result to-day of the vote on this motion before the House, hereafter we shall have the valuable assistance that that hon. gentleman is able to afford us. The hon. member from Ottawa also addressed the House in the distinct and earnest manner with which he always approaches a question such as this, which in my mind, is a serious question; but at the same time he made certain sweeping assertions which I do not think will bear looking into, or which should have the force of argument when addressed to a deliberative body such as this. In the early part of his speech, he quoted the statistics of crime which had been given in Massachusetts to a certain Commission that was sent there by the Government of the Dominion to inquire into the subject of the effect of prohibitory legislation, and he attempted to show that in a certain year when the prohibitory law in Massachusetts, was not in force that the amonnt of crime was far in excess of that of any other year in which the prohibitory law was in force. Now, it is very well understood that statistics are only valuable to a certain extent. It is known that it is easy to put any interpretation on them that the speaker or writer wishes to impress upon the public. Looking on this particular point, I should imagine that those statistics to which he alluded, only proved this fact—that most probably in that year to which he alluded when crime was much larger than in the succeeding year, the state of depression in business affairs, and the destitution existing in Massachusetts, most probably afforded ample ground for that increase. It is well known that a year of depression or a year of comparative prosperity can be clearly marked by the increase or diminution of crime. In a good year — a year in which the country is prosperous, when there is plenty of labor offering to those in search of employment, and consequently through that abundance of employment the necessaries of life are easily procured by the population — there is nothing like that extent of crime existing which is always found when circumstances of an adverse kind exert their influences on the great body of the people. So that, I think, if the argument which the hon. gentleman adduced had any force at all, it is only to show that, in those two successive years in Massachusetts, one year was a year of plenty, and the other year was a year of comparative want.

Hon. Mr. SCOTT — 1867 and 1868 were the years.

Hon. Mr. CORNWALL — Then the hon. gentleman expressed his fear that the selling of beer and light wine, as permitted under this amendment, would be used as a cloak by persons licensed to sell them, under which to sell stronger stuff. I do not think that argument is borne out by facts, or that it is borne out by experience. When a house is licensed, it is a public house. It is a house that is open to entrance at all seasonable hours. Any person can go into that house and see what is going on. It is open as well to ordinary persons as policemen, and under such circumstances it is very difficult for any seller of such compounds to deceive the general public as to the character of the articles which he is dispensing. In England many public houses are licensed merely to sell beer, and I have never heard that such a license is made use of for improper purposes, or that under a license to sell beer ardent spirits are dispensed. But the hon. gentleman made a still more sweeping assertion than that when he said in so many words that it was almost impossible to build lunatic asylums rapidly enough to afford shelter to the number of insane persons who were brought to that condition through the use of intoxicating liquor.

Hon. Mr. DICKEY — That must be since the Scott Act passed.

Hon. Mr. CORNWALL.—All the medical men who have seats in this House will agree with me that the true cause of the increase of insanity throughout the whole world is due, not to the consumption of spirits, but to the increased worry, bustle and excitement of life. We all live at railroad speed now as compared with the state of existence in the last century, or even in the earlier half of this century, and to that, no doubt, is due the fact that insanity has been during a certain number of years past largely on the increase. I do not think it can be at all established, either by statistics or argument, that that increase of lunacy is traceable to the increased consumption of ardent spirits.

Hon. Mr. SCOTT — It is one of the elements.

Hon. Mr. CORNWALL — The hon. gentleman from Ottawa afterwards made an appeal to some of us not to interest ourselves at all in this matter; he said that there were certain parts of the country in which such a law as this could not take effect for an untold number of years to come, and therefore he thought we need not trouble ourselves about it, but leave it to persons who represent some parts of the Dominion to legislate on such an important subject. Now, if that be the case, and I believe to a certain extent it is the case, would it not be better to wipe a general law [of this sort altogether from the statute book? Why should we encumber the statute book with laws which can only affect comparatively few parts of the Dominion? If it is to apply only to that particularly virtuous province of Ontario, why is it that Ontario has not enacted some stringent local license law under which her local courts and police can better enforce the provisions which our so called temperance friends wish to see carried out, than under the general law known as the Canada Temperance Act. But, independently of what has been said by those who preceded me, I think it is just as well that this Temperance Act should be, year by year, brought before the notice of this House for the continuous amendments that seem to be necessary. Otherwise many hon. Senators would gladly forget that this Senate had ever committed itself to the principle of this Bill or signalized itself at any time by ever having enacted such a law. More than that, the constant resuscitation of it before the legislature, year by year, must ultimately end in some radical change being made in the provisions of that Act, if, indeed, it does not end in its total repeal; and I think the time may even now be come when the majority in this House will show that they are in sympathy with the motion of the hon. gentleman from Halifax. That motion involves principles which should never have been lost sight of during the passage of this Act in 1878. The hon. gentleman from Halifax eloquently pointed out the difference that exists between the disastrous effects of the use of ardent spirits as compared with the effects produced by a sensible use of manufactured beverages which are absolutely innocuous and in some cases beneficial to all human beings. Owing to his practice in that honorable profession to which the hon. gentleman belongs — a practice which I am informed has been both varied and extensive — he has been able to bring to the discussion of the question the light of professional and scientific knowledge, and I feel sure that every member of this House listened with interest to the remarks which he made, and the illustration which he afforded. He has treated the subject from a professional, as well as from a common sense, point of view, but it is to the latter point of view alone that I must confine myself. I do not know that it is necessary at all to enter into the question of the right of Parliament to enact such a law as this which we are now discussing; in such cases as these, might is right essentially, and Parliament has exercised that right already. I even believe that Parliament might, if it saw fit, in furtherance of that National Policy scheme which has received such acceptance from the public generally, enact that in future all Canadians should drink nothing but milk and water, or should be vegetarians, or should live entirely on oatmeal, or should in future clothe themselves only in Canadian home spun cloth. Looking at it in that way there is no limit; Parliament can enact any laws which it sees fit, and, in that connection, I remember now that the hon. gentleman from Markham the other day made reference to a certain celebrated divorce case which several years ago occupied the attention of this House for one or two consecutive sessions. In making that reference the hon. gentleman naively remarked that the learned judges of the Supreme Court have to this day pointed to that particular divorce act as an example to what lengths Parliament could go when it chose to do so. The hon. gentleman forgot to mention, however, that such references on the part of the learned judges must have been altogether made in surprise and wonder at such action of Parliament, and not as tending to show that the judges were impressed with the wisdom of Parliament when they did pass such an act as that to which he alluded. So it is with the temperance question; Parliament may doubtless do what it sees fit, but, for the sake of any reputation we may have for deliberative wisdom, for the sake of our reputation for fair and honest dealing with all classes of society and all sections of the people, and for the sake of the high obligations and duties which are incumbent on each and all of us, let us be careful how we act in this matter, and that we do not become parties to injustice from a disinclination to combat the extreme views of those who have made hobbies of this question, but who, we must confess, have certain moral grounds on which to found their argument. I take it that a member of Parliament who sanctions the passing of a law of this kind, without taking the trouble to oppose it, because of a certain feeling of disinclination to taking an adverse view to those who take certain moral grounds for their advocacy of any particular measure—I take it that one who does this, and perhaps on such insufficient grounds supports such legislation, is absolutely recreant to his duties as a member of this House or of the Lower House. I look upon such a representative as nothing more or less than a time server, who, for the sake of his own immediate convenience, neglects the high duties that have devolved upon him, neglects the interests of the people; and I appeal with confidence to the Senate of Canada to throw off the apathy which has hitherto characterized their action in this important matter; and to remember that there are higher duties than, for the mere sake of appearances, to pander to the wishes of the small party in this House, or of the small section of the people who desire this legislation! I think it is almost unnecessary to say anything further than what the hon. gentleman who introduced this amendment has said as to the difference which exists between the effects of the use of such liquors as are mentioned in the amendment, and the effects of the consumption of ardent spirits. It is acknowledged on all sides that the use of spirits is in many cases most prejudicial and deleterious to health; while, on the other hand, we all know that no such effects attend the moderate use of milder beverages. The robust health of the population of the rural districts of England, who use little else but beer, proves how harmless the use of such a beverage is to the human body. The public houses of the rural districts of England are licensed to sell nothing but beer, and the result is that, although a man may, no doubt, drink beer until he muddles away his senses, yet there is not that mad-like and dangerous intoxication resulting from the use of beer as there is from the use of ardent spirits. Again, in England beer is so commonly drunk that in all gentlemen's houses it is used as commonly as iced water is here with us in Canada; the beer barrels are always on tap, and all the servants in the house, whether male or female, is allowed to go to the barrel and draw a glass of beer at any time of the day if they think fit to do so, and no ill effects have arisen from such a practice. Again, there is another point to take into consideration: the difference in the cost of drinking beer and of drinking ardent spirits has a restraining influence on beer drinkers. In Norway — a country with which I was at one time well acquainted — I remember perfectly that any man who wished to get drunk could readily do so on the common drink of the country — corn brandy — for a sum which does not exceed in value 6 cents of our money; while, if he confined himself to the excellent spruce beer, which is also the production of that country, he might have drunk until he was sick before the same effect could have been produced on him. So it is here in Canada with us; a man can for 10 cents provide himself with some villainous rye whiskey in sufficient quantity to make most men wild and reckless; but the same amount expended on light beer would not procure him more than a pint of that wholesome beverage, a quantity which could have no effect on him; so it seems to me — looking at the matter from this common sense point of view — that everything points to the wisdom of legislating towards encouraging the consumption of beer rather than of ardent spirits. So it is with light wines. It is well known — it is undeniable — that in wine producing countries, where the general population are accustomed to drink native grown light wines, that there intoxication is comparatively unknown. I am sure that any one who is accustomed to the healthy, life giving, and invigorating properties of claret can never fail to admit the value of that liquid. I believe that some such stimulant is more or less necessary to many people; I believe that people whose ancestors have been for generations in such positions in life as enabled them to provide themselves with the luxuries of their times absolutely require such light stimulant. On the other hand, if we take the wild denizen of the plains, the native red Indian, whose progenitors perhaps for still longer periods have never been accustomed to drink anything but water, I think we may well make a comparison between him and the white man as to intelligence and physique, and it will be largely to the advantage of the latter. I think that experience and common sense combined point to the consumption in reasonable quantities of wholesome manufactured beverages as absolutely salutary and necessary to civilized man; and I should like to see this proposed amendment made to the Temperance Act so that in counties which avail themselves of the general provisions of that Act, those accustomed to the use of such beverages should not in future be denied them.

Hon. Mr. VIDAL — Hon. gentlemen, if you have been paying, as I presume you have, the same close attention to this debate that I have, I think you must have been struck, as I have been struck, with the entire absence of any reference to the Bill which I have introduced into this House, and the third reading of which I have now moved. It is most extraordinary that all the arguments advanced in this discussion, from beginning to end, have apparently been directed against a law which it seems to be the desire of some members to repeal, and which repeal has no natural or necessary connection with the Bill which is now before us. I must confess that, considering the character for fairness and upright dealing for which our hon. friend the Senator from Halifax is distinguished, or claims to be distinguished, I am surprised that he above all men — perhaps I should speak in the language of the ring to be fully understood by him — should strike below the belt in his present action, for really the amendment which he has moved to the Bill which is now before the House for the third reading is an amendment of that character, an unfair attack on the Temperance Act of 1878. I appeal to hon. gentlemen, has not every argument which has been used by himself, and by every one who has supported him in this House, been directed, not against the Bill now before the Senate, but against the Act of 1878, and against prohibitory legislation in any shape? The whole tendency of the arguments which have been brought under our notice has been against all prohibitory legislation. I repeat, if the hon. gentleman had acted with the uprightness and fairness we should expect from one of his standing, and which he claims to be guided by, he would have brought in a bill to repeal the Act of 1878, and not attack it in this underhand manner by an amendment which strikes at its very existence. It is useless to deny that this is the object which hon. gentlemen have in view. It is useless to stand here and say that the amendment can be attached to the Act of 1878, and that Act remain in full force and effect. I contend it cannot be so, and however innocent this amendment may appear at first sight it will destroy the usefulness of the Act of 1878. I speak not merely in my own name. I am not giving utterance merely to my own personal opinions, but I speak as the accredited mouthpiece of thousands and tens of thousands of the people of this country when I say that the Act on our statute book, which has never been fairly tested, and against which no complaint has been made, would be virtually repealed and its usefulness destroyed by the adoption of this amendment. We should be acting with great inconsistency in the discharge of our legislative duties were we to do so. How did we get that valuable law? Was it not shown to you yesterday by the hon. Senator from Ottawa that that measure was the result of an agitation carried on for years, an agitation which at last culminated in the laying on the table of this House petitions signed by about 500,000 of our people? In answer to those petitions this legislation was granted, and against that Act not a single objection has been presented to this House. No one has complained against it as a measure not calculated to promote the prosperity and happiness of the country; but, because an individual takes a fancy, instigated, probably, by some whose interests are greatly at stake in this matter — by persons interested in the manufacture of liquor ——

Hon. Mr. ALMON — I rise to a question of order. The hon. gentleman is attributing motives to me. Any person who knows me is aware that I act on my own impulses, and not as a puppet with strings to be pulled by other people.

Hon. Mr. VIDAL — I have no intention to impute motives, and I am sorry if I have used any language which would bear that signification. I believe the hon. gentleman stands in about the same position with respect to the temperance question which I occupied twenty-five years ago, and I believe, from what I know of his character for kindness and uprightness, and from the interest which he manifests in the welfare of the country, that when the light which has dawned on my mind during the last twenty-five years has dawned upon his he will advocate as strongly as I now do the adoption of prohibitory legislation. The hon. gentleman, in his opening remarks gave us a very pathetic narrative of scenes which he had witnessed or heard of. These scenes are not new to us. They are the every day scenes in our country, which have forced themselves upon our notice, and which have led temperance people to seek for legislation to repress, and, if possible, destroy the traffic which has given rise to those scenes — to put an end to the pauperism, crime, disease and death which result from the excessive use of intoxicating drinks. We are banded together to try to deliver our country from this thraldom. We have no personal interest to serve in the matter. We can, as a matter of taste, and for the promotion of our own comfort and health as individuals, refrain from the use of those liquors, and why do we seek to prevent their being sold to others? Because we know there are thousands and tens of thousands of our people who lack firmness to resist the temptation of those insidious and injurious drinks; because we know that intemperance and all its attendant evils have gone on increasing in our land, and because we know that every effort which has yet been made of a public character has failed to check or materially reduce these evils. It is supposed by some that the license law might be made more stringent, and be more vigorously enforced, and that the evil could thus be diminished. Have we not had license laws in force for over three hundred years, and what have they done? Have they diminished intemperance? No. Under the operation of those laws it has increased, until it has become an evil that the country groans under, and cannot, and will not, longer tolerate. Years ago the growing evils of intemperance were noticed by the statesmen of England; and the very same views that are now urged were entertained by the statesmen of that country — that is, that if the use of beer was encouraged it would diminish the use of stronger liquors and reduce intemperance, pauperism and crime. Acting in conformity with these views, that great statesmen, celebrated alike in the council and in the field, the Duke of Wellington, introduced the Beer Act. What was the consequence? The statistics that soon afterwards came in from the country showed that, so far from diminishing the quantity of strong liquors used, the consumption of them had increased. True, there was the consumption of many millions of gallons of beer, but that was in addition to all the strong drink that had been used before, and, as a natural consequence, there was an increase of drunkenness and of crime. Further on in the history of that country, a similar opinion prevailing, the statesman who is now at the head of affairs in England considered that the introduction of the light wines of France might prevent the use of stronger liquors. Light wines were admitted in the expectation that the people of England would be induced to use them. They were introduced in very large quantities; but again, as in the case of the Beer Act, not a single gallon less of the stronger intoxicating liquors was made or consumed. There was the same amount of spirits, plus the light wines. Consequently we do not believe that encouraging the use of either of these beverages will operate in the direction their friends and advocates imagine they will. It is the deep rooted conviction, gathered after long observation and experience, of those people who have taken an interest in the temperance movement, that legislation in order to be effective must be thorough, and that there must not be left a door open for the free sale of those stronger intoxicating liquors under the name of beer, cider and light wines. There are no light wines in this country. They cannot be imported into and kept in Canada under the present circumstances to supply the need of people, supposing it be a need. What would be the consequence? If this section should be added to the Bill, and the Bill become the law of the land, you will have so-called light wines in great abundance all over the country, but they will not come from the grape. They will just be concoctions mixed by men skilful enough to produce a liquor having some faint resemblance to the wines whose names they bear. That will be the result of such legislation as this. Our duty, however, is not to discuss this question in the way it has been discussed here, as a moral matter, and a matter perhaps affecting the character and circumstances of individuals, so much as its influence upon the public welfare. We are here as legislators. It is our bounden duty to take official notice of anything by which the public well being, the health, prosperity and peace of the people of Canada is affected; and acting on this high motive, we are legislating, not so much for the promotion of temperance in drinking or total abstinence, as for the peace and well being of the country. We are legislating, as we hope and expect, to diminish the extent of drunkenness, and crime, and lunacy, and pauperism, which are every day increasing in our midst. We honestly and firmly believe that legislation of the kind which we placed on our statute book in 1878 will do much to effect this desirable end, and we wish to have an opportunity afforded for the people to give the existing law a fair trial, and consequently we do not think it is consistent with our duty as legislators to allow any interference with it in this early stage of its history, before the country has had an opportunity of seeing whether it will realize what we expect from it. I cannot follow my hon. friend from Halifax through all the various ramblings and allusions to poetry, science and religion, in which he indulged. I may, however, observe that he thought fit to refer to that sacred book, which I am sure every hon. member regards, as I do, with reverence and respect, in support of his arguments, but in so quoting from that book the hon. gentleman should be more careful of the selections that he makes when he endeavors to show that the teachings of the sacred volume justify and support the views he entertains as to the use of wine. He should be careful, also, to see what it says on the other side of the question. He gave us a very pleasing extract — part of a poetical description in Eastern hyperbole, in the passage which he quoted, but I would ask the hon. gentleman, if he wishes to get practical instruction from that book, not to have his mind exclusively taken up with these poetical allegories and similes, but just to turn a few pages back in the same book, and he will find the same writer speaking in terms which are not hyperbolical or figurative, but plain, real and practical. What does that writer tell us: "Wine is a mocker, strong drink is raging, and whosoever is deceived thereby, is not wise." In a page or two from that the same authority writes, as a philosopher might write at this day sitting opposite the entrance to a tavern, "Who hath woe? who hath sorrow? who hath contentions? who hath wounds without cause? who hath redness of eyes? They that tarry long at the wine."

Hon. Mr. ALMON—"That tarry long at the wine."

Hon. Mr. VIDAL — He might also find another passage, "Look not upon the wine when it is red, when it giveth its colour in the cup, when it moveth itself aright; at the last it biteth like a serpent and stingeth like an adder." These are the words which that book will tell him of the character and tendency of these things which he ventures to assert are spoken of with commendation in its pages. Perhaps he has not analysed the original text; perhaps he has not looked back to the Hebrew origin of these words in investigating these various passages. It is a question which, in a place like this, I could not with propriety, and, therefore, would not, enter upon; but when the authority of such a book is sought to be brought before us, it is only fair that its statements on the other side should be quoted. We look to England for an example in most of our legislation, but we have in this matter of local prohibition, taken a step in advance of the honored fatherland of most of us. I was over in that country during last summer, and happily was there at the very time when the English House of Commons affirmed by a very decisive vote the principle of local prohibition. They so approved of this very statute on our books — the Act of 1878 — that the English House of Commons issued an order for the reprinting of that law for circulation amongst the members of Parliament and throughout the kingdom. No higher compliment could be paid to the legislation of a colony than such an order from the British House of Commons, and we had the pleasure of hearing from the lips of the Premier himself the acknowledgment that the House having passed that resolution, it became the duty of the Government to frame a measure in order to carry out the object urged by Sir Wilfred Lawson. Shall we then, while England is about to follow our example, while our law is being approved and about to be brought into force there — shall we take a retrograde step, and by the adoption of an amendment like this, destroy the real practical usefulness of the Act of 1878? Because, if that amendment should be carried and attached to the Bill, I, for my part, and I hope that gentlemen who favor the temperance cause would join me, would move for leave to withdraw the Bill altogether. I am quite aware that the House has heard perhaps enough on this subject and at this time. There are many points I might with some satisfaction to myself, at any rate, dwell; but I forebear doing so, and I shall bring my remarks to a close simply with a few statements as to the effect which our action in this Chamber is likely to have upon ourselves, our standing in the Dominion, and upon the well being of the community around us. It is a fact which has afforded me very great pleasure that throughout the length and breadth of the land, the value of the Senate has been more fully appreciated in consequence of its action upon the temperance question than for anything else which we have ever done when we differed from the House of Commons. I have had this assurance from a number of persons interested in this moral reform. When they found that the Senate last year refused to accept an amendment made in the House of Commons which would have had the effect of vitiating the whole temperance law, there was a feeling of relief throughout the country, and I have heard many and many a one say in all sincerity, not merely from the lips, but from the heart, "Thank God we have a Senate." Shall we recede from that high position now? Shall we be recreant to the trust confided to us? Shall we now with our own hands destroy that prestige we have gained by our wise action in the past? Oh, let it be far from us. Let us adhere to the principles of right, which have hitherto influenced us in giving to the country this beneficent legislation, and let us not destroy, for the sake of arguments which may have some weight, but which should not have weight enough to reverse our opinions upon this subject — let us not destroy the law of 1878, but rather maintain it in all its integrity. I do trust that the report may go out this evening to the whole country that the Senate is still true to the interests of the people; that those interests are safe in its hands, and that we cannot be induced from any motives to go back upon that beneficent legislation which we gave three years ago at the request of so many thousands of our people.

Hon. Sir ALEX. CAMPBELL — I think that the advocates of temperance are often unfair to those who are opposed to their views. They constantly represent the evils which result from excessive drinking and the abuse of liquors, and endeavor to put their opponents in the position of advocating or defending these abuses. Now, nobody advocates or defends anything of the kind. The hon. gentleman from Halifax, who moved the amendment, drew the distinction in language and with a force which I am sure many members of the House envied. The hon. gentleman who moved this amendment is as much opposed, and said he was as much opposed, to the abuse of intoxicating drinks as my hon. friend who has just resumed his seat can be; and the position of those who support the amendment is not that of advocating or defending intemperance, or the abuse of intoxicating liquors; but, as it seems to me, rather that of advocating temperance. To my mind, my hon. friend who has but spoken, is intemperate himself — he goes to excess in a certain direction, and, therefore, to my mind is intemperate. I believe, and everybody who hears me speaking, will, I think, agree with me, that it is very much to be regretted that intoxicating liquors should be abused, and I agree with every one who hears me, that everything which can be reasonably done, consistent with that personal liberty which everybody should enjoy, to prevent the abuse of intoxicating liquors, and wine and other good things which the Almighty has given us to use and not to abuse, should be done. Whatever steps can be reasonably taken to that end; whatever steps can be taken, with due respect to personal liberty, which should be the governing rule in legislation, to that extent everyone will go. But hon. gentlemen who advocate temperance in what seems to me an intemperate way desire to repress by force of law the ordinary liberty which people should enjoy, they say, because liquor is often abused, not only those who so abuse it, but the whole community, shall drink intoxicating liquors, including ale and cider, no longer. Why should I suffer because my hon. friend drinks too much whiskey or brandy? Why should my liberty be interfered with because of his excess? The hon. gentleman says, "Oh, but unless you repress the use of all kinds of liquors which can possibly intoxicate, you cannot arrive at the end, which is so important, of preventing the abuse of them." I deny that. I think that the history of all nations shows conclusively that temperance is consistent with the ordinary use of liquor, and that you do not find in those countries, for instance, where wine is produced the abuses which you do in countries where wine is not produced. In the Mother Country, where beer is the constant drink of the population as has been pointed out by the hon. Senator from Ashcroft, it is not attended with those evil results which are spoken of, and when my hon. friend from Sarnia speaks of the course which is likely to be pursued in England, it is not, I think, with reference to any abuse that has grown out of the use of beer; it is not with reference to bad habits which have sprung up in rural parts of the Kingdom, but with reference to bad habits which have sprung up in cities and towns and densely peopled parts of the country from the use of gin and ardent spirits. The amendment before the House is not to interfere with the operation of the Temperance Act as regards ardent spirits; but only as regards beer, cider and light wines. There may be some difficulty in defining what those light wines are. The clause was not framed by a lawyer, and is not drawn as closely as it might have been, and I am inclined to limit my approval of it to beer and lager and cider, Why prohibit the use of liquor, such as beer, which cannot possibly intoxicate unless you drink some inordinate quantity of it! Why are the people to be deprived of that indulgence, especially those who have no homes to go to, and cannot get it at their firesides? This legislation is directed against the poor, by those who are not affected by the restrictions which it imposes. Why should not the whole community be permitted to use beer if they like it, and when, as the temperance people admit, it cannot injure them? I am told that some of the most ardent disciples of my hon. friend here are quite willing to see the use of beer introduced.

Hon Mr. SCOTT — Oh, no!

Hon. Sir ALEX. CAMPBELL — I do not like to use names, but I have had cited to me the names of very eminent disciples of that school who think it would not be hurtful to use beer, and I think they are right. To the best of my judgment, nothing could more conduce to temperance than to allow the use of such liquors. You cannot interfere with men arbitrarily and tyranically as the Temperance Bill does, and say they shall drink no intoxicating liquors. You must allow people some latitude in gratifying their passions and desires. To shut them off altogether is sure to bring about sly drinking, illicit traffic and unmanly habits. Give them latitude; do not say, "you shall not enjoy the rights of your manhood, the liberty which God has given you; you cannot have a glass of beer in your own house, if you want it!" Can anything be more tyrannical or contrary to one's convictions of the right of self action and control man should possess in a civilized country? Nothing could be more contrary to the principles which should govern legislation than to deal in that kind of way with the subjects of the Crown. Gentlemen justify it and say that it is the only way to prevent the abuse of liquor; I say that it is not the only way. Experience shows that in countries where liquor is commonly used it is not abused, and they are more temperate than countries situated as we are. It is impossible to say that beer can be so abused as to have the maddening and disastrous effects that the excessive use of ardent spirits has. You may get muddled by taking beer to excess, but you are not driven into a state of frenzy; you may have reason to feel sorry that you took too much, and it is well that you should feel sorry, but it has not the maddening effects which follow the use of the poisonous liquors sold in taverns throughout the country. A man who takes beer to excess is likely to get sick from it before he can get drunk. The hon. member for Ottawa, with a degree of carelessness which I regret, said that champagne contains 25 per cent. of alcohol.

Hon. Mr. SCOTT — I said 14 to 22 per cent.

Hon. Sir ALEX. CAMPBELL — He comes down to 14 per cent. now, and that is the true percentage. I have here a statement by an eminent authority on the subject to that effect.

Hon. Mr. SCOTT — That is good champagne.

Hon. Sir ALEX. CAMPBELL — My hon. friend from Belleville (Mr. Flint) described an experiment which he had seen, in which they had found a glass and a half of whiskey in a quart of ale. I have no doubt whatever that the hon. gentleman saw the experiment, but there must have been a mistake somewhere.

Hon. Mr. VIDAL — That is only 10 per cent.

Hon. Mr. FLINT — Two glasses make a gill, and four gills a pint.

Hon. Sir ALEX CAMPBELL — Those hon. members who are total abstainers seem to know more about it than I do, though I drink wine. I view with great distrust the statement that so much alcohol could be found in a quart of beer. But, with reference to ordinary beer, not so strong as this ale seems to have been, I think it may safely be said that a man would be more likely to get sick than drunk from using it to excess. It has been said that the amendment would have the effect of destroying the Temperance Act. That is one of the unfair arguments used by the advocates of temperance. The Legislature of Ontario have shown that they do not think it could have that effect. They draw a distinction between the use of beer and of ardent spirits. During the recent session they passed an act licensing the sale of beer as distinguished from spirits.

Hon. Mr. SCOTT — Does it go beyond lager beer?

Hon. Sir ALEX. CAMPBELL — Yes, lager beer and strong beer, I am told. There may be some difficulty in ascertaining whether wines are light or strong, but it is not insuperable. It can be got over, but there can be no difficulty about lager and common beer. Hon. gentlemen would be less tyrannical, and accomplish their purpose by allowing the use of beer and of light wines, if they could be kept in this climate for a sufficiently long time to justify persons in purchasing and selling them.

Hon. Mr. SCOTT — Did not the hon. gentleman support prohibition in the North-West, including beer?

Hon. Sir ALEX. CAMPBELL — Yes, I think I did, because it was very necessary to prevent the sale of intoxicating liquors to Indians. I supported it because Indians get frenzied upon ardent spirits, and because there was no beer there. If you furnish intoxicating liquors to Indians you expose those who are about them to extreme danger, but that is not the case in the suggestion now made that this Act should be so altered as to allow the use of beer. It will not destroy the Scott Act. That is an unfair argument used to prevent us from doing that which we think best in the interests of the community, and in the cause of temperance. We all want to see temperance promoted, but we do not want to see tyrannical legislation to interfere unnecessarily with the ordinary appetites of men when they can be indulged so harmlessly as by the use of beer. I deprecate the spirit in which the Temperance Act was conceived. As originally introduced, the measure was not only to be brought in force by a minority, but it was to interfere with existing rights, destroying large establishments, and trades which hinged upon them; there was no system of compensation, and the whole expense of the movement was to be thrown upon the Government. Every precaution was taken to ensure the carrying out a tyrannical measure, conceived in of a tyrannical spirit. Here is an effort to modify the harshness of the Act, and, because it is in the interest of true temperance, I give the amendment my support.

Hon. Mr. TRUDEL — It is not my intention to answer the very forcible arguments which we have just heard from the hon. Postmaster General, but some of his assertions have rendered it necessary for some of us who support the Bill to explain why we shall vote against the amendment. The hon. gentleman says that it is tyrannical legislation to deprive the public of the use of liquor, but he is aware that where liberty is abused the only remedy is in the restriction of liberty in a way that under ordinary circumstances would not be tolerated. For instance, there are times when it is, unfortunately, necessary to suspend the Habeas Corpus Act and deprive British subjects of their most cherished liberty. Why is it done? Because it is necessary, in the public interest, to remedy the evils resulting from an abuse of liberty. It is the same in this temperance legislation. I freely admit that the ordinary use of light wines and beer is not injurious, but when we see the evils resulting from intemperance, and when experience has shown that the only remedy for these evils is in total prohibition, I say it is the duty of those who are moderate drinkers to deprive themselves voluntarily of the use of liquors, for the public welfare. Let us act consistently. Two years ago we discussed this question thoroughly, and a majority in both Houses of Parliament decided to give the people an opportunity to try the effect of prohibition. That law has not yet had a fair trial anywhere. Would it not be better to let it stand a few years longer, in order that it may be thoroughly tested. If the result should not be as satisfactory as its advocates anticipated then there will be an unanswerable argument in favor of modifying or repealing the law. If a bill had been introduced for the repeal of the Scott Act, I could understand how this debate could have taken place very properly, but this amendment is of such a character that if it is adopted the House could not fairly deny the promoter of the Bill the right to withdraw it, and the effect of its withdrawal would be to deprive the temperance people of the amendments which are considered necessary to put the law in operation. And so the amendment would be to destroy the Bill.

Hon. Mr. GIRARD — Before voting on this question, I wish to remind the leader of this House that I have always been ready to support the hon. member. But in this case I am sorry to differ from him. When the present Bill was introduced into this House, I undertook to sustain my hon. friend from Sarnia in all the amendments which would be required to render the Act of 1878, known as the Scott Act, more workable and more easily introduced by the people. I knew at the time that this Bill was introduced that there would be opposition to the amendments, but as they were looked upon as necessary, and did not interfere with the principle of the Act, I did not think at any time that the Bill could open the way to an amendment such as the motion now before the House. I look upon the adoption of that amendment as the end of the Scott Act. Hon. gentlemen have spoken of it as being a coercive measure, but where is the coercion? Before the Act can be put into operation in any place, there must be a petition signed by a large portion of the voters of the county. That petition is announced publicly for months before the vote is taken, and every voter is then free to come forward and register his vote for or against the adoption of this law. It is only after all these formalities have been complied with that the law is, under the direction of the Government, put into force. I know, hon. gentlemen, that there are private interests that will suffer by the introduction of such a law, as this is in any county. But the true principle is that public interests must be considered before private interests. We are sorry for those who have invested large amounts of money in the liquor traffic. At the same time they knew their position before engaging in that business, and took the consequences. But in the public interests we must all make such sacrifices as society may require from us from time to time. If I did not know the consequences that would result from the adoption of the amendment that is now proposed, it would not suffer any serious opposition from me. But I feel that it would interfere very much with the Temperance Act. I know that in all places where drinks are sold by the glass, wines, ales and cider would be exhibited on the shelves, but the brandy and gin and strong drinks would be kept under the counter, and there would be a great many more of those liquors disposed of to the people than there would be of the liquors mentioned in the amendment before the House. It is our duty to protect the public interest, and in this case we do it without coercion in any way. In the first instance it cannot be put into operation without the consent of the majority of the people in any locality where it is introduced. All the voters have an opportunity to register their votes for or against it, and, if they do not do so, we must accept it as their neglect or a refusal to vote against the Act. A very large number of petitions were presented to this House from the temperance people of Canada before the adoption of the Scott Act. Since this law has been enacted, no more petitions of that kind have been presented; but, if we find that the Temperance Act does not suit the purposes for which it was framed, it seems to me it is our duty to make such amendments to it as will make it operative. No doubt we are all temperance men, but there are different ways of being temperate. I think one of the best ways of promoting temperance is by temperance organizations. I think it will be admitted that men who do not drink are as a rule good men, and it is the duty of this House to assist them in propagating temperance principles throughout the community, and thereby promote the progress, prosperity and happiness of the Dominion. If we do not promote temperance principles, poverty and vice will prevail. That there is much prosperity at the present time, and that money is so plentiful that it can be obtained at four or five per cent. in most parts of the Dominion, except in Manitoba, is due to the prevalence of temperance principles that have taken root amongst our people. I will, perhaps, take the liberty, before resuming my seat, to recall to the memory of the hon. gentleman from Halifax, who has introduced this amendment, some teachings of the sacred volume. He will find there all that is necessary to prove to him, I think, that intoxicating drinks have at all times been looked upon as very dangerous — even native wines. I will refer him to the first pages of the Bible — to a description of where native wine was for the first time introduced into this world, and he will see the bad results of the use of that native wine. The maker of the wine became drunk, and when in that state, one of his children, who was there by accident, laughed at his father, and his father cursed him. The consequence of that curse is now known to that degenerate population in the old world, who bear to this day the mark of the malediction of their ancestor. The hon. gentleman will find from the Bible that the introduction of wine into the world had bad results from the very beginning. Hon. gentlemen all admit the desirability of abolishing the use of ardent liquors, but how is it to be done? If the Government are ready to suppress the manufacture and sale of strong drinks in the Dominion, I would vote for such a law, but I suppose it would not be easy to adopt such a policy at the present time. We all admit that the temperance movement has made great progress, and we see at the present day that the consumption of intoxicating liquors is not one-half what it was a few years ago. Let us give the Temperance Act of 1878 a fair trial before we pronounce against it. I look at the proposed amendment as an opposition to the principle of the Act, and although I feel sorry to differ from the hon. leader of the House in this matter, I will vote against him on this amendment.

Hon. Sir ALEX. CAMPBELL — It is an open question.

Hon. Mr. GIRARD — I will vote for the Bill to amend the Temperance Act of 1878, and against the amendment proposed by the hon. member from Halifax.

Hon. Mr. AIKINS — Before this vote is taken, inasmuch as I introduced a similar bill last year, I desire to say something in reference to the principle of the Bill, and perhaps I may refer to some of the remarks that have been made during the discussion on this subject, particularly by the hon. gentleman who moved the resolution in amendment. It is seldom that I listen to temperance speeches, but I must say one of the most telling temperance speeches I have ever heard was delivered by the hon. gentleman from Halifax in introducing his amendment. I never heard anything more touching or telling than the way in which he pictured the fond mother listening for the footsteps of her son coming home at a late hour of the night, meeting him at the door, and directing his trembling steps to his chamber, hoping that no person would have seen him come into the house in that condition. He referred not only to that, but to the skeleton in nearly every family's closet. I am rather inclined to think, hon. gentlemen, that there are very few families indeed in which the skeleton might not be found in the closet of their house — the result of intoxicating drink. Very few indeed, hon. gentlemen, in this country have not been touched perhaps in their tenderest feelings, and just in the same way.

Hon. Mr. ALMON — I think I stated that was the effect of the use of rum and whiskey. I did not say I believed this would have been the result if such a man had confined himself to drinks such as I have described, containing not more than 10 per cent. of alcohol.

Hon. Mr. AIKINS — I am quite willing to accept what the hon. gentleman intended to say, and perhaps did say, but we will go a little further. After making this touching reference, the hon. gentleman referred to two celebrated Scriptural characters. My hon. friend from Manitoba has just now referred to one of them. I do not think there was any rum or any brandy either in existence at that time; so far as I am aware I do not think the process of distillation was known at that time, and if there was any evidence required that there is something wrong in the use of wine, I do not think stronger evidence could be adduced from that sacred book. Take the case referred to by my hon. friend from Manitoba, and the case of Lot — two more disgraceful scenes in the lives of two noble men are not recorded in the Bible than those. If I required anything to satisfy me that the use of wine was injurious, I do not think I would find two stronger examples than those given by my hon. friend. Then he not only travelled over the Old Testament, but he went to the New. Let us hear his references there as to the use of wine. He called our attention to that interesting event in the life of our Blessed Saviour where water was turned into wine, and then I suppose would have us draw the conclusion that because wine was made by Him there, there is a justification for the use of the villainous compounds that are manufactured and are classed under the name of wine, and now in use. Why, hon. gentlemen, the strongest speech I ever heard made on any platform, was made by the hon. gentleman from Halifax against his own amendment, and what I am surprised at is this: after having made so able a speech in favor of temperance, that he was not convinced himself, and did not ask the House to permit him to withdraw his amendment. Now, with reference to the Bill itself: I introduced a bill similar to this one last session; I stated then, as I have stated before, when this Bill was under consideration on a previous occasion, that the object of that Bill was to remedy defects in the Temperance Act, which the Secretary of State or the Government was charged with carrying out. The Bill of my hon. friend from Sarnia is introduced only to enable the carrying out of the Temperance Act successfully, and as it was intended by Parliament. The amendments have been explained to the House two or three times already, and yet we must have another amendment interjected into that Bill, proposed by hon friend from Halifax, and supported by many hon. gentlemen in this House, not in reference to the Bill itself, but attacking the principle of the Scott Act. My belief is that if you introduce this amendment you virtually kill the Temperance Act. We are told that lager beer, and strong beer, and wines,contain only 10 per cent. of alcohol, and can be used under that amendment; but how are we going to discriminate between them and strong liquors, or say whether the liquors that are sold contain only 10 per cent. of alcohol?

Hon. Mr. DEVER — How do you do it now, do you not do it in the Custom House?

Hon. Mr. AIKINS — The very fact of your placing a restriction on it is a reason why it should not be used. Talk about interfering with the liberties of the people! Why should I not take my glass of whiskey or rum if I wish to do so, and do not like to drink lager beer or wine, or other liquors mentioned in this amendment? Why should I not have my whiskey under such circumstances? But hon. gentlemen who support this amendment say "you shall not have whiskey or rum, you must either drink beer or light wines, or we will not let you take anything." Now, I contend, as far as interfering with the liberty of the subject is concerned, that my hon. friend's amendment is interfering as much with my liberties, if I chose to drink rum, as the Temperance Act is interfering with his. I hold that if there is any tyranny about the Temperance Act the course he is taking is tyrannical to those who wish to indulge in the stronger drinks. Now, the hon. gentleman has referred to the public analysis of liquors, but he must know that there are not more than half a dozen public analysts in this Dominion to analyse the food and drink sold to the people of this country.

Hon. Mr. DEVER — The Customs analyse every sample that comes in.

Hon. Mr. AIKINS — But these drinks will be manufactured in the country, and how are we to employ analysts to go all over the country and go into every establishment to test the strength of the wines and liquors being sold in them. A Customs officer has no such power.

Hon. Mr. ALMON — The license law will give you that power.

Hon. Mr. AIKINS — We are not dealing with the license law; we have no power to deal with it in this Parliament. Every hon. gentleman knows that this will be one of the effects of this amendment: that under the guise of wine all sorts of strong drinks will be sold. I state further that there is no penalty introduced into this Bill, and that people can sell whatever liquor they please without a penalty being imposed upon them; and unless the hon. gentleman who proposes this amendment provides some means for carrying it out properly, it would be better to repeal the Scott Act altogether, and introduce a Bill for that purpose. I did not intend to say anything on this question, but I thought it was due to myself that I should make these few remarks.

Hon. Mr. WARK — I do not know that I should have risen at all to address the House, but that I come from a province where this Act has been more extensively introduced than in any other part of the Dominion (excepting Prince Edward Island where it has been adopted by the whole province), and I would not occupy the time of the House were it not for this charge of tyranny that has been made by hon.gentlemen who support this amendment. I do not think that the Temperance Act is open to such a charge; if I thought such a charge were merited, I should be ashamed to advocate this measure or any other measure of the kind. There is one thing that struck me during the discussion, and that is, that those who are in favor of the amendment seem to have paid very little attention to the effects of these mild drinks that they talk about. One member talks of the consumption of beer in England as being harmless; if he would go down to the lower orders in the manufacturing towns, there he would find that the very men who cannot take their dinner without a bottle of beer, are the men from whom the drunkards' ranks are recruited, those miserable creatures who cannot go home on Saturday night and carry their wages to their families without stopping at the public house and drinking their earnings, leaving their wives and children starving. I have seen young men who tasted nothing stronger than wine at their father's table; I have seen those young men whose fathers were moderate drinkers, men who never drank to excess, who thought that they had set an example to their sons of moderation in drinking -- I have seen those young men with their companions, resort to public houses. The taste for liquor had been acquired, wine was not strong enough, and they had resorted to brandy, or something as strong, and many of them went down to drunkards' graves. This is a fact that cannot be denied. I may state that the use of wine in even moderate quantity will beget a taste for alcohol, and the use of beer will produce the same effect after a time. Neither wine nor beer will long satisfy that appetite. We, who advocate the temperance cause, have not gone into it without due consideration; we see that those who are addicted to the use of strong drink are poor miserable creatures; we see others who are moderate drinkers, and others who are only young beginners. If there were no moderate drinkers, drunkards would soon die out; but, although we see them dropping into their graves day by day, their numbers are not diminished, their ranks are recruited from the moderate drinkers, who from moderate drinkers gradually become confirmed inebriates. If there were no younger drinkers to drop into the ranks of the moderate drinkers, would soon be diminished too; but the younger recruits step in and take their places, and it is in the public house that these young recruits are trained. It is only by shutting up the public houses, which are the means by which our young men are seduced into this downward course, that we can save them from ruin. Unless we can stop this licensing system and shut up the taverns; unless we can put a stop to these allurements which entice young men to their destruction, we never will accomplish our object. I am not going to occupy your time on this subject, but I thought it was necessary to make these remarks. It is my own observation of the effect of moderate drinking; it creates an appetite which grows and grows until the unfortunate victim who acquires it drops into the drunkard's grave. That is my own observation of it; I have seen it frequently; I have watched its effects even from the use of beer. I remember seeing a discussion about the strength of beer; I remember seeing a careful analysis of it, and, although it was thirty years ago, I still remember it. It is this: that in a gallon of ordinary strong beer there are three quarts and one pint of water — not always the purest water either — there is half a pint of alcohol; there is a small quantity of extract of hop, and two ounces of saccharine matter. The only nutriment in the whole mixture is this latter, but the beverage was not used for this small quantity of nutriment, but for the alcohol, and to get this amount of alcohol, the man was required to drink three quarts and a pint of water. Again, when you come to light wine, it is well understood that champagne, about which so much is said, is not imported into this country. The section of country which produces champagne is not able to produce one-tenth of the quantity of what is sold as champagne throughout the world. There are thousands of gallons of champagne manufactured from other substances than the juice of the grape, and there are vast quantities of American rum sent across the Atlantic, to the wine-growing countries, and returned in the shape of wine to this continent. Even if this amendment were adopted, we would not get a gallon of pure light wine of any kind introduced into this country.

Hon. Mr. McLELAN — It is charged that the Temperance Act of Canada is grossly tyrannical. On the contrary, there is not a law on the statute book so free from the charge as this Act. All other laws are binding upon the whole Dominion. No persons or locality are exempt from their operation, but this law cannot be put in force anywhere except at the desire of the people, expressed at the polls. It is optional with the people of any county in the Dominion to say whether they shall have this law or not. But it seems to me that the amendment to this Bill will make the law tyrannical, because, as my hon. friend from Fredericton (Mr. Wark) has stated, the curse of drunkenness is gradual in its growth. My hon. friend from Halifax, who introduced this amendment, has portrayed that evil in perhaps stronger terms than have ever been used in this House. He described it as putting a skeleton in every house in the land, from the palatial residence of the rich to the cottage of the poor. The testimony of the five hundred thousand people who came here petitioning for prohibition was, that the evil was gradual in its growth. The amendment to this Bill says that you may supply the people of this Dominion to the extent of ten per cent. of alcohol, and that is the ingredient of those drinks that produces the evils complained of. The testimony of the world is, that drunkenness is gradual in its growth, and that the use of alcohol, in small proportions, will create the appetite: produce the disease. When ten per cent. will not satisfy the cravings' produced, twenty-five and forty per cent. of alcohol is then demanded. Under this amendment you provide that people may drink up to the extent of ten per cent., and acquire an appetite that is irresistable, then you say they shall not go beyond that, and therein you make them feel that the law is tyrannical. Is it not better to prohibit the use of alcoholic drinks entirely, and prevent the creation of the appetite for them; at least leave the law as it stands, entirely optional with the people? It appears to me that we are stultifying ourselves by the course we are taking to-night. A few years ago we had petitions presented here more numerously signed than any ever laid before Parliament, asking for legislation to prevent the spread of intemperance. So powerful were those petitions that Parliament in 1878, just before the elections (hon. gentlemen will bear in mind) yielding to the force of public opinion enacted this law, and it was proposed in some slight particulars to amend it so as to make it more easily worked. Now, when we are two or three years away from the elections an amendment is made bearing upon, and destructive to, the principle of the Act. The inhabitants of Colchester are about to vote upon the Act, but with the amendment I am certain no man will take the trouble to vote one way or the other, because the change in the law will render it ineffective. There has not been time to give the Act a fair trial in any county, because with the machinery which is necessary to bring it into operation, delays are unavoidable, and consequently it has been in operation for but a few months anywhere, and the result cannot be ascertained yet. If we, by this amendment, utterly destroy the Act, the temperance people who form the larger portion of every community will say that we have been only cheating them, and that it was only through fear of their power at the elections of 1878 that we gave them the law which is on our statute book. In justice to ourselves, and in justice to the large temperance sentiment abroad in this country, we should have the Act as we passed it in 1878, merely amending it so far as may be necessary to make it more workable. We shall be doing injustice to ourselves and to the country, if we accept an amendment which will render the law worthless, and which will be an insult to the whole temperance people of the Dominion.

Hon. Mr. KAULBACH — If, as is alleged, this Bill, or more properly, the Scott Act, can only be made operative by depriving the great mass of the people, of mild, nutritious, and refreshing beverages, by robbing them of their beer, then this misnamed temperance law is based, as I allege it is based, upon a foundation which is contrary to common sense and conscience, and repulsive to intelligent, dignified, respectable humanity. If we say that the mass of the people shall not use those light refreshing beverages which are promoters of health and strength, and essential to building up the strength of weak constitutions, I say that such legislation is based upon principles which cannot and will not be tolerated. It is a tyranny from which the community will revolt, and which must have a demoralizing effect upon our intelligent people who generally view it with contempt, and will not submit to the coercion. Some hon. gentlemen who defend that law, say that the excessive use of intoxicating liquors is extending in the land. Others tell us that the so called Temperance Act is working so well that drunkenness is diminishing, and thus it is apparent that among themselves they cannot agree in their statements. It is quite evident that the law has not the approval of the masses of the people, who glory in their manhood, personal respect and self-control. And they will resent such an attempt at fanatical legal tyranny. To say that a man of intelligence and education in this age of enlightenment, shall be restrained from taking his glass of wine or beer, beverages which are invigorating to his system, is tyranny against which the whole community protests. There is nothing in the Bible which condemns the use of liquor in moderation, but on the contrary it commends the temperate use of it. You restrain a man's liberty for larceny, but are you therefore going to imprison everybody because otherwise some of them may become thieves? It is contrary to true civilization, common sense and intelligence. It is contrary to the spirit of the age to say that because some few people debase themselves and drink to excess, therefore, no body shall drink. Drunkenness is a disease, and may be remedied by restraining the drunkard by putting him under a sick regimen, but is it wise or prudent, is it common sense, to insist that the same remedies, the same restraints, shall be applied to men who are not drunkards? Would you provide for a healthy, vigorous man, would you force upon him, who governs himself by temperance, the same regimen that you impose on the sick, diseased, or invalid? I have in my hands a pamphlet published by Chancellor Howard Crosby, D. D., LL. D., of the University of New York, who stands high as a theologian and scholar; who seems to have great deal of experience of the effects of total abstinence organizations, and the evils arising from that system of forcing total abstinence on the community as the duty of all—a legalized tyranny which is revolting to manhood and self respect — which he alleges only confirms and strengthens that dreadful curse of drunkenness. He says :—

> "'Ought the plan of total abstinence to be adopted?' Is it a healthful and legitimate method of doing away with drunkenness? A man stands at a great disadvantage who argues in behalf of his belief that the total abstinence system is immoral, because he at once exposes himself to the assaults of slanderers, who impugn his motives and deny his honesty Radicalism has so ruthlessly mobbed down independent thought, by its intimidating processes, that editors who have no faith in the total abstinence system still uphold it in their columns, and ministers deem it prudent to say nothing against a cause so popular in religious circles Men are loth to come forward and be bespattered with mud thrown in the name of truth and godliness. They are loth to lose the support and good will of the many whose fanatacism despises argument and brooks no opposition. Hence, if any one is constrained to speak, he is tempted to come forward as a humble apologist, and modestly plead his cause with many concessions and compromises. Surely this is not for the advantage of the truth?
>
> "In this address I take no apologetic position. I carry the war into Africa. I have no contest with men, but with false principles. I assert that the total abstinence system is false in its philosophy, contrary to revealed religion, and harmful to the interests of our country. I charge upon this system the growth of drunkenness in our land and a general demoralization upon religious communities. And I call upon sound-minded, thinking men to stop the enormities of this false system, by uniting in reasonable and wholesome measures for the suppression of drunkenness, for the lack of which this false system has all its present success. Between fanatacism on one hand, and licentiousness on the other, there ought to be a large mass of solid folk, whose union and efficiency would moderate and reduce, if not destroy both extremes."

Is it not tyranny on the masses of the people that the men of wealth can buy and fill their cellars with all kinds of liquor to use and dispense it at their pleasure unrestrained, whilst the vast industrious class — the temperate drinkers cannot even buy his glass of beer, much less any other beverage, no matter how sober a man he may be, or how necessary it may be to restore his health or to aid in sickness? Such tyranny cannot, and will not, be tolerated, and the resistance to such laws must react with a demoralizing effect and give aid to the curse of intemperance. Chancellor Crosby gives a rational opinion on the best means of preserving temperance. The large mass of the people — a hundred to one — are opposed to this legislation, because it deprives many of them of what is essential to their health, and never injurious when properly used. And why are these to be deprived of their rights and liberties because, forsooth, some few men disgrace themselves, become insane, or get drunk from the excessive use of liquor. I say that men who become insane, or get drunk, or commit larceny, should be deprived of their liberty, but those who do not offend in any of those directions should not be restricted in this absurd and tyrannical manner. You must educate the moral and religious principles of a man, and let him stand upright, let him feel that he is a man, if you wish to prevent drunkenness. but to restrict such a man in his liberties is degrading and revolting to his manhood, and to common sense, and conduces to vice and intemperance.

Hon. Mr. NORTHWOOD — As seconder of the amendment, I think I have a right to give my reasons for supporting it. Although I can take a glass of wine, or possibly of whiskey, or brandy, at times, if I think fit to do so, yet if I believed that a majority of the people of this country were in favor of the Scott Act, pure and simple, as it stands, I should not have seconded the motion or given it my support. But I think a majority of the people are not in favor of the Scott Act, and if this amendment should be carried to-night, the temperance people will be themselves to blame. They were not satisfied with the Scott Act as it stands, but they have been trying to amend it from year to year. They have so amended it that the vote of the people cannot be taken upon it at municipal or general elections where the majority of the electors go to the polls. I have the opinion of one of the strongest temperance men between here and Sandwich that the Scott Act will not work. He is a consistent temperance man, and if he is of that opinion, what is the use of introducing it in any part of the country. I believe if the sale of light wines and beer were permitted, the Act would work well, because those who hold licenses would not risk forfeiting them by selling stronger drinks. Is it right or proper that the breweries and distilleries, and hotels throughout the country should be closed, that property should be destroyed, and business stopped, because some people want this legislation? If the Scott Act were adopted throughout the Dominion a large number of people would be thrown out of employment, and a large amount of property would be ruined. The least the temperance people could do would be to consent to the adoption of this amendment.

Hon. Mr. HAYTHORNE — I am not a temperance man myself, in the usual acceptation of the term. I am free to use all the articles mentioned in the amendment of the hon. gentleman from Halifax, even though they should contain more than 10 per cent. of alcohol, but, for all that, I propose to support the Bill. I must refer to something which fell from the ex-Secretary of State. He mentioned the circumstances which brought this Act into existence, and spoke of the enormous petitions which had been presented in Parliament, and the agitation which pervaded the whole Dominion on this question. We know that the Scott Act was accepted by the temperance advocates as a compromise, and I maintain that should this House adopt the amendment which has been proposed by the hon. member from Halifax — an amendment with which, in many respects, I concur myself — its effects would be practically to abrogate the Scott Act. The temperance men who accepted that Act as a settlement of the question, so far as they were concerned, will say "this is not the measure which we accepted." The communities which have adopted the Scott Act, and put it in operation, will say "this is not what we voted on; we fought for something else, and now you call upon us to accept less than we demanded." That would be the effect of incorporating this amendment in the Bill, and for that reason I shall vote against it, and in favor of the Bill as it stands. I must say that, in my opinion, some very unfair and unreasonable arguments have been advanced here to night in support of the amendment, and epithets have been applied to the Scott Act which it does not merit. I heard the words "coercion" and "tyranny" applied to that law. I do not consider that they are appropriate. You can hardly call it tyranny or coercion to allow an electoral district to vote aye or no on the question. Those who record their votes are perfectly independent in the matter. They can accept or reject the Act. My own Province has accepted it, though it has not yet gone fully into operation. I could have wished that there had been a stronger expression of opinion on the subject; I could have wished that a larger vote had been cast, but I can imagine why it was so small. I am not one of those who come to the conclusion that the electors who fail to exercise their privilege were for that reason totally indifferent upon the subject. I can believe that they felt a strong personal responsibility in the matter, and acted from conscientious motives in remaining away from the polls. They, perhaps, felt that through their vote, if given against the Scott Act, some of their acquaintances might go to drunkards' graves, or live sober and respectable lives. Though, perhaps, accustomed to use spirituous liquors temperately themselves throughout their lives, they knew that others sometimes drank to excess, and I can imagine that they remained away from the polls from high and magnanimous motives, and therefore I am not disposed to blame them for the course which they saw fit to adopt, in absenting themselves from the polls.

Hon. Mr. CARVELL — The remarks of my hon. friend from Prince Edward Island seem to me to have an exactly opposite bearing from the conclusion at which he has arrived. He says that the Scott Act, as it is called, was a compromise accepted by its promoters, as between them and those who do not believe in such legislation. Then, why did they not let it remain as it was? Why violate the compact? Why bring in this Bill? To prevent the only reasonable chance of a large vote being had when the Scott Act is submitted to the people of any district, as referred to by the hon. Senator from Chatham? I will not say it is a tyrannical law, although some of its provisions are bad, and in its operation the greatest injustice may, and most likely would be, inflicted, and, at the same time, the law is almost, if not entirely, useless in the direction intended by its friends. It has been said that the law has been accepted by the Province from which I come. I doubt very much any good results from its adoption, but, on the contrary, there will be more and inferior places where liquor will be sold, sold contrary to law, and of the worst kinds. In some parts of our Province there are now twice as many places where liquor can be had as there were before. If the amendment is adopted I can imagine my hon. friend from Sarnia hastening to another place, and using his influence to have the amended Bill rejected there, and so we will be in exactly the same position as we occupied in the beginning of the session, before the introduction of the Bill, and where we stood when the compromise was agreed to. I shall vote for the amendment.

The House divided on the amendment, which was adopted by the following vote :—

CONTENTS :

Hon. Messrs.

Almon,
Archibald,
Botsford,
Boucherville, De,
Bourinot,
Boyd,
Bull,
Campbell (Sir Alex),
Carvell,
Cornwall,
Dever,
Dickey,
Dickson,
Ferguson,
Gibbs,
Glasier,
Hamilton (*Inkerman*),
Howlan,
Kaulbach,
Lewin,
Macdonald,
Montgomery,
Northwood,
Odell,
Penny,
Pozer,
Ryan,
Simpson.—28.

NON-CONTENTS :

Hon. Messrs.

Aikins,
Armand,
Baillargeon,
Bellerose,
Bureau,
Chaffers,
Chapais,
Dumouchel,
Ferrier,
Flint,
Girard,
Grant,
Geuvremont,
Hamilton (*Kingston*),
Haythorne,
Hope,
Leonard,
McClelan (*Hopewell*),
McLelan (*Londonderry*)
McMaster,
Pelletier,
Reesor,
Scott,
Trudel,
Vidal,
Wark.—26

The following gentlemen paired :—Mr. ALLAN against the amendment, with Mr. NELSON who was prepared to vote in the opposite direction. Mr. MILLER against the amendment, with Mr. MACFARLANE, who would have voted for it.

Hon. Mr. VIDAL — I beg leave to withdraw the Bill.

Hon. Mr. ALMON — I object. If my hon. friend will allow me to take charge of the Bill I shall do so. I move the third reading of the Bill.

Hon. Mr. VIDAL moved in amendment that the Bill be not now read the third time, but that it be read this day three months.

Hon. Mr. GIBBS rose to a point of order. The hon. gentleman from Sarnia could not move an amendment of this character to his own Bill.

The SPEAKER ruled that the motion was in order.

The House divided on Mr. Vidal's amendment, which was rejected by the following vote: —

CONTENTS :

Hon. Messrs.

Aikins,
Armand,
Baillargeon,
Bellerose,
Bureau,
Chaffers,
Chapais,
Dumuchel,
Ferrier,
Flint,
Girard,
Grant,
Guevremont,
Hamilton (*Kingston*),
Haythorne,
Leonard,
McClelan (*Hopewell*),
McLelan (*Londonderry*)
McMaster,
Pelletier,
Reesor,
Scott,
Trudel,
Vidal,
Wark.—25

NON-CONTENTS :

Hon. Messrs.

Almon,
Archibald,
Botsford,
Boucherville, De,
Bourinot,
Boyd,
Bull,
Campbell, Sir Alex.,
Carvell,
Cornwall,
Dever,
Dickey,
Dickson,
Ferguson,
Gibbs,
Glazier,
Hamilton (Inkerman),
Hope,
Howlan,
Kaulbach,
Lewin,
Macdonald,
Montgomery,
Northwood,
Odell,
Penny,
Pozer,
Ryan,
Simpson.—29.

At six o'clock the Speaker left the chair.

AFTER RECESS.

Hon. Mr. SCOTT — When the Speaker left the chair at 6 o'clock, I had arisen to make a few remarks before this Bill was read the third time. My observations will not be at great length, but I feel it my duty to make some comments on the action of the Senate. I shall, briefly as I can, advert to the fact that for very many years Parliament had been besieged by a very respectable body of people of this country to adopt some legislation that would aid in the restriction of indulgence in intoxicating drinks. The body of people who approached Parliament were, I would say, without drawing any invidious distinction, intelligent, high-minded, and law-abiding. They were, at least, a class of petitioners not inferior to any class that had ever presented a prayer to Parliament. They were men who had no personal motive to serve. They came not here to advance a private enterprise or seek legislation in order that they might become incorporated for the purpose of making money. They came here impelled with but one feeling — to adopt a line of legislation that in their judgment, at all events, would inure to the well-being of their fellow-men. They gave their time, their attention and their ability, whatever it might be, to the furtherance of that object. I say, therefore, not being governed by any selfish motive, their prayer was entitled to more than ordinary consideration at the hands of Parliament, inasmuch as from their stand point, at all events, they conceived that a serious evil was abroad, and that society would be immensely benefited if their views were enacted and placed on the statute book of this country. They were told that this Parliament had no power, and that they must go to the local legislatures. They went to the local legislatures in the various provinces of the Dominion, and were told there that they must come back to this Parliament; that the local legislatures, however willing they might be to enact such laws, however much they might sympathise with their views and approve of their objects, still they were unable to give them any assistance — that with the Federal Parliament alone rested the power to deal with the matter. They came back to this Parliament, and the hon. gentleman opposite (Mr. Aikins) repeatedly interrogated me as to why the Government of that day, of which I was a member, did not yield to the well expressed wishes of the people of Canada, and give them the legislation they desired. He was told, and the people of this country were told, through him, that doubts prevailed as to the jurisdiction of this Parliament. There was a willingness that these demands should be met, but the difficulty was in our Constitution. Many gentlemen believed that this Parliament could do nothing, that it rested with the Local Legislatures, and so the temperance people were badgered about from one source of power to another. Finally when the question came before the Supreme Court in the case of the Queen *v.* Severn, indirectly, it was found by judicial opinions expressed on that occasion that the belief was, at all events, on the Judiciary Bench, that the ultimate power of restraining in any way the liquor traffic, rested entirely with the Federal Parliament. In obedience to the well expressed wish of the people of this country, a wish that was in no sense negative, but seemed to have an echo all over this country, from one end to the other, Parliament conceded a very small share of what the petitioners claimed. They were told that the restrictions they had asked for could not be granted, but they were told at the same time if it were possible that this Parliament had the power, such a law might be framed as would give the people in their several localities a law which would restrain the sale of intoxicating liquors, if they chose to put it in operation. And here, I must express my surprise that the leader of the Government should speak in the strong manner that he did of the tyranny of the temperance movement. One would fancy from his statement that the temperance people were in pursuit of something that was wrong, something not merely selfish for their own benefit but seriously interfering with the civil rights of their fellow men. I deny that there is any tyranny whatever about this Act. It in no degree interferes with any man who chooses to drink. Have we not surrounded, and in all well organized communities is not this liquor trade surrounded by shackels and restraints, particularly in countries with constitutions similar to our own, in England and on this Continent? Is it not a fact that the liquor trade is looked upon with horror by men of good standing in the community, and parliaments are constantly restraining them. Have we not a prohibitory law on Sunday in Ontario, (they may have in other provinces also), and a law restraining the sale of intoxicating liquor on Saturday evenings, when the laborer is going home to his wife and children? Has not Parliament interfered and said that when a man is going home with his wages in his pocket, he shall not be enticed into a grog shop to spend his earnings that should go to feed and clothe his family? Does that law shock the mind of any hon. gentleman? Will anyone tell me that that is a law which should not be on the statute book of the Province? Hotel keepers protest against it, and say that their profitable night is Saturday night; but will any hon. gentleman rise in his place here, and find fault with those laws, and say that they are in direct violation with that perfect freedom of action in reference to this liquor traffic that some hon. gentleman have thought fit to applaud? This Act is based on the principle that if it is the will of the people in any locality that a restriction shall be placed upon the sale or traffic in intoxicating liquors it can be done. It is just one degree beyond what the other laws are. It is a degree beyond restraining the sale of liquor on Sunday, and the sale of it within the hours prescribed by the provincial statutes. But it does not interfere with individual action, it does not prevent those who choose to have wine or beer in their houses from using it. They can drink as much as they please at home. This law, in its principle, merely withdraws from our fellow men who have not the nerve to resist the tempting cup, the temptation which might otherwise lead them to ruin, and to the ruin of their families. We do not require to go into a very large circle to see the evil consequences of indulgence in intoxicating liquors. No one will deny that such indulgence yields to debasement, sorrow, sin and crime. That is an undeniable fact, and however much hon. gentlemen may object to the Temperance Act, no one will deny that that is the ultimate result of indulgence in intoxicating drinks. Having adopted that law, a law sought for by those who were perhaps, over-zealous, over-anxious and full of the belief that total prohibition was not only possible, but would be attended by excellent results — though we have only given them a small share of what they asked; still we did give it to them. The idea originated with this Senate. We devoted a month to the consideration of the subject. Every clause of that Act was scanned most closely, and the views of hon. gentlemen, as far as possible, were engrafted on the measure. Care was taken that it should not be too extreme, that it should be reasonable, and at the same time effective. Hundreds of thousands of people were gratified with the result of our legislation. They agreed to accept it, and give it a trial, hoping that it might lead one day or another to total prohibition over the length and breadth of this land. It was not alone with a large class of men, but hon. gentlemen must know that over this broad land, with a view to reclaim husbands and brothers and sons, the women of this country who take a deep interest in this question of temperance, who were keenly alive to the consequences which intemperance brought to their little homes, who witnessed the slaughter of many valuable lives, and the degradation and misery resulting from the liquor traffic, had appealed to the public sympathy and good sense of the people of this country. They had enlisted their sons in the Bands of Hope, trusting that if the law was not given to them, the lessons they would learn there would be a sufficient protection and guard for them in future years, and that they would escape the terrible consequences that indulgence in intoxicating drinks had brought upon many of their friends. All the clergymen of this country, ninety per cent. at all events — for I have yet to learn the clergyman of any denomination who has failed to give his moral support to the temperance question, though there may be individual opinions as to what machinery or what line may be taken — are of one accord in support of that legislation. They themselves have been witnesses from time to time of the evil consequences of this terrible vice. They feel strongly on the subject, and I believe if their views were taken, it would be found that that important body of teachers in this country are in favor of giving this law a fair trial -- that it is in the right direction, and that it must have some effect in diminishing intemperance. It does not restrain any body's liberty, but simply removes the temptation which meets the weak in all corners and directions. Men were pleased that a law of this kind would be in force — that they might not have the opportunity to drink. Is there any one of us who has not in his own experience met with men who admitted to him that they would like to live where they were out of the sight and smell of liquor, and were not tempted to indulge in it? Their strength lasted as long as they were away from it, but when they were in sight of liquor they yielded to the temptation. It was in behalf of that class that I made the appeal to this House, and that class would be the most largely benefited by restrictive legislation. Well, hon. gentlemen, we adopted that law. I ask you has there been any considerable agitation over this country for its repeal? Has any echo come from the public press, from the pulpit, or the platform in opposition to that law? If so, it has not reached my ear. I have yet to learn that any considerable body of people of this country criticized in an unfriendly way the action of this Parliament in placing that law on the statute book. I am quite aware that gentlemen whose interests were attacked, and who feared that their sales would diminish by the operation of this law, were no doubt disappointed and irritated. But that is the only class, as far as I have heard, that has put in any remonstrance against the continuation of this law. Last session of Parliament a member of the Government introduced this Bill in this Chamber for the purpose, he said, of removing doubts as to some clauses of the Act. I, myself, did not share in the doubts entertained by the Government. I thought the law plain and clear, and believed then, as I do now, that the courts would act in the spirit and direction that Parliament contemplated. I believed that particular provision of the law that was framed under the assumption that there were licenses in existence all over this country, and which provided that the law would only come in force at the expiration of these licenses would have been interpreted by the courts in this way— that where there were no licenses in force in any locality, if Parliament provided that the Act should come in force after the expiration of existing licenses, *ergo*, it would go in force where there were no licenses, at the expiration of three months. I had no doubt then, and I have no doubt now, as to the question of holding the voting under this Act on the same day that an election is held for a member of the Parliament of Canada, or for a member of the local legislature, because it was discussed by my hon. friend behind me, at whose suggestion the clause was introduced in the Bill. Many of those clauses were interjected at the time it was passed through this House, and I know they cannot all be prepared with the care they would have been if framed in one's office with one's thoughts concentrated on the work in hand, but the weak points in the Act were, in my judgment, very few indeed. I am only astonished, considering it was all new, and that we had nothing to guide us, that it is as perfect as it is. The Minister of Justice, having doubts on some points, the Government brought in a Bill last year for the purpose of removing those doubts. That Bill received very fair treatment in this House. Hon. gentlemen did not contemplate then using that Bill as an opportunity for giving the Temperance Act a stab in its most vital point. They acted in a good spirit and in a sense of fairness, The the Bill was carried in this House. An agitation was got up in the other House against it, and amendments were introduced in the Bill, and when it came back here the friends of temperance thought it better that the measure should stand over for another session, since the amendments were of such a character that it could not pass in that shape. The Bill was therefore rejected by this House. The same subject came up in the House of Commons this year, and a considerable vote was passed in affirmation of the course pursued by this House last year. A change had come over the House of Commons. They had, during the recess, consulted their constituents, and discovered a feeling abroad, that the Temperance Act should not be interfered with. It was thought then that there was no possibility of fear in introducing the amendments proposed by the Government last year. My hon. friend opposite (Mr. Vidal), believing that the good sense of this House which was with him last year would be with him this year also, and that the House of Commons would accept the measure without destroying the Bill by amendments, introduced it, informing us during that debate that the Bill had been prepared in the office of the Minister of Justice, and giving it, therefore, a semi-official character. He repeatedly observed in the discussion which took place, that it was the Minister of Justice who had doubts as to the putting of the law in force in certain localities, unless these amendments were obtained, and that they were not proposed at the instance of the temperance body, who have yet to learn that this Bill is before Parliament. The first intimation that they will have of the fact will be the announcement that the Act for which, during ten years, they so earnestly sought has been destroyed by the Senate. I think myself, and I say it advisedly, that it is going a long way out of its true line of action for this Senate to take the irregular course it is at present pursuing. The Senate is an irresponsible body. It is not in any way amenable or responsible to the people of this country. Its members are not obliged, like those of the House of Commons, to go before the people and give an account of their stewardship. It undertook, three years ago, in accordance with the expressed popular will, to pass a certain measure. That measure was no sooner on the statute book than, in a moment of caprice ——

Hon. Sir ALEX. CAMPBELL — Order, order !

Hon. Mr. SCOTT — I say it advisedly — in a moment of caprice, gave a fatal stab to that important Act which had received the approval of Parliament, and been accepted by the people of this country as a compromise between Parliament and the temperance movement — a measure, too, that, in order to be sure of our ground, was tested before the Supreme Court to settle the question of jurisdiction. I think it is a retrograde movement, at all events. For a legislative body, entirely independent of the popular will, to so seriously disturb a law on our statute book, without being first asked to do so, is an extraordinary proceeding. I do not question in any way the abstract right of this House to take such a step, but I say it is an unusual proceeding, and, so far as I know, without a precedent. It is the first time that the Senate of this country will have taken that extraordinary course without giving the people out of doors, who are to be affected by this measure, an opportunity to express an opinion on the subject. No one will deny that the temperance people are an intelligent and respectable body, whose objects are unselfish and philanthropic We may have our ideas as to whether they are right or wrong, but we must, at all events, respect the motives that lead to such results. In the course of this debate, several hon. gentlemen said that they were quite willing to let the law stand as it is — that they thought the temperance people ought to let the law stand without amendment. I have replied that the temperance people did not ask for this legislation. The amendments have been brought in by the Government of this country.

Hon. Sir ALEX. CAMPBELL — I must rise to correct my hon. friend. The Government did not bring it forward.

Hon. Mr. SCOTT — The Government brought it forward last year.

Hon. Sir ALEX. CAMPBELL — My hon. friend beside me (Mr. Aikins) brought it forward in his private capacity.

Hon. Mr. AIKINS — I stated yesterday that I did not introduce it as a Government measure. Though a member of the Government, I introduced it as a private member.

Hon. Mr. SCOTT — The hon. gentleman stated that, in the opinion of the Minister of Justice, the machinery thrown on the Government by the law was defective, and that, in consequence, the Bill was introduced. Notwithstanding the explanation of the hon. gentleman to-day, I am warranted in drawing the conclusion that it was introduced by the Government, and I hold the Government responsible, and the people of this country will hold them responsible, for that measure. The temperance people throughout the country did not ask for these amendments. They were willing to let the courts test the matter. But the Government have introduced a Bill to give an opportunity to the opponents of the law to destroy it. That is what the Government have done, and I hold them responsible for it. Did the hon. Postmaster General vote against the Bill last year? He did not. He did not rise in his place and make the declaration he did to-day.

Hon. Sir ALEX. CAMPBELL — I did not vote at all.

Hon. Mr. SCOTT — The Hon. Mr Aikins moved the second reading of the Bill, and he went on to describe what the proposed amendments were. He said :—

> "A case occurred this last summer, in one of our western counties, where a proclamation was issued for taking a vote under the Temperance Act, and afterwards a proclamation was issued by the Government of Ontario bringing on the local elections. The nominations for the latter were held a few days before the polling for the Temperance Act. It has been held that what is understood by election day is the time which intervenes between the nomination and the close of the polls. If that is a correct definition, it might happen that the decision upon the temperance question was illegal. The proclamation having been issued, the Government was powerless to recall it, or to issue a new proclamation. The sub-section is amended by providing that the true intent and meaning of it is that the word 'election' therein refers only to the polling of votes, so that the voting for the Canada Temperance Act cannot take place on the same day as the polling for a member to serve in the Dominion Parliament, or in any of the local legislatures. The second section refers to something that was not known at the time that the Temperance Act was passed, or, if it was known, it was not mentioned when the measure was under consideration in the Senate. The second part of the Temperance Act could only be brought into force contingent upon licenses being issued. Now, in some counties in the Maritime Provinces licenses are not issued, and in such places the Act could not be put in force. This clause provides a remedy for that difficulty."

It passed very pleasantly; it was in the hands of a member of the Government who was himself a devoted member of the temperance cause, and acting no doubt in conference with his own colleagues.

Hon. Sir ALEX. CAMPBELL — I must contradict the hon. gentleman again; he says he assumes that it was in conference with me that this took place. I have just asked my hon. friend (Mr. Aikins), who says that he had no conference whatever with me, and that I knew nothing whatever of it.

Hon. Mr. SCOTT — This law was framed in the office of the Minister of Justice; it was introduced by the Secretary of State at that time, who is still a member of the Government, and yet my hon. friend says that was not a Government measure.

Hon. Sir ALEX. CAMPBELL — Yes.

Hon. Mr. SCOTT — Well, I can draw what deductions I please from the facts, I suppose, and I think the hon. gentleman will find that the people of this country will concur in my opinion. The Bill, of course, was only drawn by the Minister of Justice in his individual capacity. The Minister of Justice in his individual capacity found that there were some legal difficulties, and the Secretary of State introduced the Bill. If the hon. gentleman can get out of the difficulty through so small a hole as that, he can do so. That was the course adopted last year. This year the same Bill was introduced, but not by a member of the Government; whether my hon. friend (Mr. Vidal) had a conference with the members of the Government, or not, I do not know, but he told us in the course of this debate (in answer to criticisms on several parts of the Bill) that it was drawn in the office of the Minister of Justice; therefore, it must be right, and we were led to believe that it was a Bill which the Minister of Justice approved of. The measure is introduced this year for the purpose of making amendments which, in my judgment, are immaterial, for I believe the law can be worked without them. Some hon. member, in the course of the debate to-day, said that the temperance people ought to be satisfied with what they had got. I say, on behalf of the temperance people, that we are quite satisfied with the law as it stands; all I say is, "do not interfere with the law at present."

Hon. Mr. CARVELL — If the hon. gentleman will allow me to correct him, I should like to explain that, during recess, in the lobbies, the hon. gentleman said to me, "You are quite willing to allow the law to stand." I corrected him and said that we would not move, and did not intend to move; that it had been stated by my hon. friend beside me that the Canada Temperance Act had been agreed upon as a compromise. That compact should not have been broken, and, since they had chosen to open the question again, they may take the consequences.

Hon. Mr. SCOTT — I did not choose to open it, and I am not aware that any considerable number of the temperance people of Canada had appealed to us for this Bill; certainly I did not. I was perfectly content, and am content now, with the law as it stands, and I trust the good sense of the House will prevent them from interfering with it; I think it would be a matter of great regret if, in 48 hours of hasty discussion that this measure has had, and without consulting the people of this country, or giving them time to communicate with us, we should destroy the Temperance Act. I think we ought to stay our hands and at least not depart from the expressed judgment of this House given at so recent a period as last session. As I said before, while this House has an abstract right to interfere with any legislation, I do maintain that it will shock society outside to learn that the Senate has availed itself of the opportunity to amend a Bill relating simply to technicalities in the existing law to interfere with what, in my judgment, is the entire working of the Act. The law will not be worth anything when this amendment is passed. I will not go into that subject now; it is a long one, and probably it would do no good to discuss it. If we were living under the circumstances which surround the people of France and Italy and Spain, where every farm has its vineyard, I could quite understand the principle of allowing light wines to be exempt from the operation of the Act; but when we know that light wines cannot be brought into this country unless they are pretty well charged with alcohol ——

Hon. Mr. BOURINOT — I can assure my hon. friend they can; I know it as a fact.

Hon. Mr. SCOTT — My hon. friend is a *connoisseur*, and can afford to import his own wines and to keep them in a cool cellar, but I am speaking for the multitude, for those who want to be protected from their own weakness. I am appealing more on behalf of that large class of people who feel that they have bound themselves by taking a solemn pledge to resist the temptation of intoxicating drinks. It is not the class who are temperate, and can take their glass of wine and stop there; it is not the class who never lose their reason by liquor that is affected by this Bill. They can always get wine it they choose, and even stronger drinks, in districts where the Act is in force. The law is for that class who believe that they will be rescued from the terrible debasement before them if the temptation is removed. Surely we all believe it is wise to reduce the number of groggeries. They have in Nova Scotia and New Brunswick wise laws under which the people can say, "We want to put down drunkenness;" those laws are better in many respects than the Act on our statute book, but you cannot adopt them all over the country. This measure steps in, and gives the public an optional law, and I deny that it interferes with the rights of the people: I deny that it interferes with their rights, although I think, in a matter of that kind, we would be discharging the high duty that devolves upon us if we did interfere with the drinking customs which are causing such misery and destruction around us. There is no man, however limited his experience, but will find in his circle of acquaintances friends who have been snatched away, men who have gone down to drunkards' graves, from over indulgence; men who might have been saved if liquor had been quite out of their reach; men who would like to have lived where liquor could not have been had. In the great North-West, why did the people decide that there should be no intoxicating liquors, not even light wines or beer? My hon. friend says it is on account of the Indians. We are willing to make sacrifices for the Indians; 20,000 odd people who went into that country were willing to deny themselves this indulgence to preserve the Indians from destruction; but in this country, where misery is brought to the domestic hearth, we refuse to remove the tempting glass from their sight and allow them to sink into drunkards' graves. Has the prohibitory law in the North-West proved a barrier to the settlement of that country? On the contrary, when it becomes generally known that it is a land where liquor is prohibited, it will prove an attraction to men to seek homes there where they will be, forever, free from its contaminating influence. If such legislation is a good thing for the North West, it is a good thing for other parts of the Dominion. I ask it for these provinces, not in the large sense in which it applies to the North-West, but in the diluted shape in which it is now on our statute book. I make this last appeal to this House to leave the law as it stands; and, in the course of four or five years, if it is found that it does not work well, and does not bring those advantages which its friends claim that it will, then let us have a measure introduced to repeal it, and we can give the subject careful and thorough consideration. We can then have the subject fairly before us, not thrown capriciously on us, and not influenced by, I am sorry to say, promptings that are not worthy to govern the members of this House ——

Hon. Sir ALEX. CAMPBELL — Order!

Hon. Mr. SCOTT — The hon. gentleman says "order." I saw in those lobbies gentlemen who are directly interested in this matter; I saw them appealing to Senators to assist in protecting their traffic from being injured by this law. Is this Senate going to listen to those men, and not to that larger body of respectable people of this country that I have named? Have we come to be governed by such influences and impulses? I trust not. I propose, at this stage of the Bill, as several hon. gentlemen have expressed their willingness to let the law stand as it is, if no further amendment is proposed, to take the final sense of the House whether the Bill shall pass its third reading. I hope the House, on reconsideration, will be disposed to vote in the negative.

Hon. Mr. DICKEY. — We must all sympathise with the strong feelings that my hon. friend entertains on this question, as the father of the Act which is proposed to be amended; but, at the same time, I think that my hon. friend, in the exercise of his discretion, might, at all events, have spared us the lecture which he has given to the Senate of this country. He has thought proper to make a complaint against the Senate in reference to this Act. Now, what grounds are there for that complaint? My hon. friend has spoken of the original Act, and of the manner in which it was received in this House, and the deliberate discussion that took place upon it, and I ask him if he has any complaint to make of the action of the Senate on that occasion? Was his proposition not fairly met, and liberally entertained, and did he not receive every consideration for the suggestions he made on that occasion, although, as he has taken occasion frequently to remind us since, leading only a minority in this House? He brought that Bill in as a Government measure, and it was fairly treated and fairly considered, and it is too late for the hon. gentleman now to complain of the action of the Senate. That Act was only allowed to sleep a twelve months until it was brought up again and tinkered with; then again last session we had another amendment to it, and the hon. gentleman has admitted that this House fairly considered that amendment, and that we passed the Bill which was then proposed for the consideration of Parliament. What took place afterwards was entirely the act of the other House — the representatives of the people. My hon. friend taunts us as to our course on this amendment. It is not the first time he has done it in this House, and it is time that some remonstrance should be made as to the course which my hon. friend has taken for party purposes in telling this House that we are an irresponsible body. But last year we had the action of the representatives of the people, fresh from the people, in passing this majority amendment, and that was the only obstruction he met with. We had passed the Bill, and it was returned to us with an amendment which, I think, was eminently proper and just, but the Senate at his instance disagreed with that amendment, and the Bill was dropped in consequence. Is that our fault? Is that the fault of the action of the Senate? The fathers of the measure have been tinkering at it for the last three years, and now they propose to tinker at it again this session, and, because the majority in this House think proper to say while we are amending the law in one sense we may amend it in another, we are to be treated to a lecture on the conduct of this House. I say it is a course that cannot commend the argument of my hon. friend to one side or the other, and I am happy to admit on the present occasion that the vote taken to-day has been entirely irrespective of party. The only person who has introduced party into this question has been the hon. gentleman himself in the extraordinary speech just delivered, and I shall arraign him for it. His whole speech to-night has been an attack on the Government for party purposes.

Hon. Mr. SCOTT — No.

Hon. Mr. DICKEY — My hon. friend says "no," but what have we been told! The most vehement part of his speech was that in which he insisted upon fastening upon the Government a course last year and a different course this year, and I say it is in entire consonance with the feeling that gave birth to this Act on the part of the hon. gentleman, because that Act, introduced only on the eve of the general elections in 1878, I do not hesitate to say, was introduced purely for party purposes, and with the view to party advantages throughout the country. I do not make that complaint against the gentlemen who voted for the Act through conscientious motives, because they had a perfect right to use their discretion; but I say it is in vain to attempt to conceal, at this day, the fact that that measure was introduced for a party purpose. The question had not been before the country; it had never come up in an election as an issue, and the country, in determining the contest of 1878, did so entirely apart from that question. If it was not an issue, the only effect it had was to show the country that the Government had failed to satisfy the people on other questions, and had endeavored to secure the support of a large body of respectable temperance men in this country by bringing in the Act which we now propose to amend. My hon. friend has tried to fasten a charge against the Government. It is not my business to defend the Government; they are quite able to defend themselves, and they have stated their views here to-night. But, notwithstanding the disclaimer of the hon. the Minister of Inland Revenue, fortified as it is, not merely by the word of the hon. the Postmaster General, but by his action in the legislation of last year, when he took no part in it at all, and did not even vote on it; notwithstanding all that the hon. gentleman from Ottawa insists on fastening upon the Government of the country a different course last year from this year, while he knows they are divided on the question.

Hon. Mr. SCOTT—I read the speech of the hon. gentleman opposite.

Hon. Mr. DICKEY—The hon. gentleman read the speech after the attack, and the speech took away all the point of the attack, because there is not a word in the speech to support the statement of the hon. gentleman that the Minister of Inland Revenue introduced that Bill as a Government measure. The hon. gentleman (Mr. Scott) referred to the local legislatures, and stated that the reason that measure was brought in was because the local legislatures would not act. But they had acted; the Legislature of Quebec had enacted a law that was satisfactory to that province, and which has influenced a large number of the members from Quebec in voting upon this Bill to-day. I was rather surprised at their course in respect to the amendment of my hon. friend from Halifax, the adoption of which would have the effect of materially increasing our trade with the country they all respect—France. But the other provinces have had their license laws — most stringent laws — and yet my hon. friend says that the local legislatures would not act!

Hon. Mr. SCOTT—They would not enact a measure like this.

Hon. Mr. DICKEY — My hon. friend says that this is an Act that relates entirely to the Dominion Parliament; but I would inform him that we have a local enactment quite as stringent and as effective in its way in Nova Scotia as the Scott Act. My. hon. friend objects to this amendment because, he says, it will kill the Act, and why? Because, he says, the legislation which he introduced in 1878 — and I would like to be able to give him credit for the very best temperance motives in introducing that measure — was introduced for the purpose of putting down the traffic in intoxicating liquors. I quite admit that that is the principle of the legislation of 1878, but the amendment that has been introduced does not touch at all the question of the traffic in intoxicating liquors; it only relates to the very mild class of drinks, such as are mentioned by my hon. friend from Halifax, and not to those ardent liquors which my hon. friend tells us lead to debasement and sorrow and shame by some of the people who indulge in them. I am perfectly willing to agree with him there, but why he should on that ground make an objection to this amendment, I cannot conceive. Supposing that amendment had been offered at the time this Temperance Act was introduced, and it was agreed that we would all act together and endeavor to root out this great evil of intemperance, if the Bill should be modified so as to allow the sale of ales, porter, light wines and other mild drinks, my hon. friend, I am quite sure, would have been only too glad to have secured the support of the entire body of legislators by assenting to such a course as that. That is what we are trying to do now, and is my hon. friend not content to take the half loaf rather than have no bread? Will he not consent to a compromise which, I think, is as reasonable as it is fair? At all events, the people of this country should be in a position, if they choose to do so. to go to the proper authorities in the different provinces, and ask for license to sell those liquors, which I have not heard any gentleman speak of as intoxicating drinks. Several gentlemen who have spoken to me since the debate began have informed me they were under the impression that we were going to give indiscriminate license — a sort of free use of such drinks as ales, porter, cider and light wines. But such is not the case: we merely exclude them from the operation of the Scott Act, and leave it to the Local Legislatures and the local authorities to deal with them. They are subject to license and control just the same as they always were, and why it should be said that such an amendment as that would kill the act I cannot conceive. My hon. friend knows very well we have had some experience of this class of legislation in his own province. He has had some experience of the Dunkin Act, a very stringent law, running in the same direction as this Act; yet, when introducing the Scott Act, he had to confess that the Dunkin Act was, to a large extent, inoperative. Experience has already proved that in some counties where the Canada Temperance Act has been in operation the same results followed. The hon. gentleman will find, if he takes the trouble to inquire, that where it has put down one licensed house which was under the control of the authorities, it has brought into existence half a dozen unlicensed groggeries throughout the same district. Is that a result which my hon. friend desires to secure in the sacred cause of temperance? I think not; at least, I hope not. Now, my hon. friend says there has been no agitation against the law. Why is it there is no agitation against it? It is because, as I have already explained, the people who drink — the people who are supposed to be interested — have the same opportunities to get liquor wherever this law is in force that they had before, because groggeries are now kept by people who are entirely too poor to pay fines, or too insignificant to follow or too difficult to get at. At all events, that is the class of people into whose hands you throw this debased liquor traffic instead of having it carried on under proper control by responsible parties, and under regulations established by the authorities of the country. That is the only effect that this legislation can have. But my hon. friend strangely announces that this Bill introduced by the hon. gentleman from Sarnia is not necessary, and goes on to prophesy that the courts would decide that the section which it is proposed to amend makes the proceedings entirely directory; and he tells us, with regard to the amendment that provides for cases in which there were no licenses issued in counties, the courts would construe the Act so as to apply it to any county where licenses were issued or not. I wish he had made this speech, on the second reading of this Bill, because he would have saved this House a great deal of trouble and we should have told the hon. gentleman from Sarnia, who introduced the Bill, that according to the authority of the father of the Act itself there was no necessity for this legislation at all.

Hon. Mr. SCOTT — The Minister of Justice wanted it.

Hon. Mr. DICKEY — My hon. friend speaks a great deal of what the Minister of Justice thought or what he was going to do. I do not know by what authority he speaks of what the Minister of Justice intended to do, or whether the secrets of the Department are confided to him, but, if the Minister of Justice had any doubt as to the interpretation of the Act, certainly my hon. friend had none at all. I have already answered the objection he has made that if this Bill passes the Act will not be worth anything. Why not? If you carry this amendment you will enlist all the sober temperance feeling of the country in its favor; you may offend the people who desire to indulge in intoxicating drinks, but I for one am quite prepared to take my share of the responsibility as well as to assist my hon. friend in enforcing legislation to take from the people the power of debasing themselves, and at the same time say they shall not be deprived of the opportunity of taking a harmless glass of ale or cider, or of the mild wines that come from across the sea. Now, my hon. friend, in his vehement attack upon the majority in this House who have declared their opinion of this Act, has resorted, as I think, to the unworthy course of insinuating that the opinions of the majority of this House have been improperly influenced by people in the lobby. All I can say with regard to this is that the hon. gentleman who casts a reflection of that kind upon the members of this House should think well before he does it, and should be in a position to give some reasons for that statement. Speaking for myself, I can only say I have seen no person in the lobby; I have seen no person elsewhere, and no one has ventured to speak to me on the subject except one or two members of this House, who have a perfect right to confer with their colleagues, and no mention of helping the interests of brewers or others was ever suggested to me. I take my stand upon this amendment of my hon. friend as eminently wise and proper in itself. I have no feeling upon it otherwise, but I do think, in the true interests of temperance, my hon. friends would have best subserved these views by taking the advice of the other side of the House, and should have contented themselves with the amendment, and thus enlisted in the support of the great cause of temperance the general feeling of the people of this country.

Hon. Mr. VIDAL — I should like to occupy a considerable time in replying to the observations made with respect to this Bill. I think it will be absolutely necessary to make additional amendments, in order to bring the one which has been adopted into harmony with the Bill. I therefore move the adjournment of the debate.

Hon. Mr. DICKEY — The motion before the House is that the Bill do pass to its third reading, as amended.

Hon. Mr. SCOTT — But it is quite open for my hon. friend to move another amendment. As he has said, with this amendment tacked on, the Bill is without meaning ; it is an amendment which will not work with the Bill unless machinery is provided for it. If my hon. friend desires to move another amendment, I am sure the House would give him time to prepare it.

Hon. Sir ALEX. CAMPBELL — As to the amendment not working as it is, I do not think there is any ground for fear. The amendment is that the original act shall not interfere with the dealing in ales, porter, light wines, etc., and there can be no doubt that that will have the effect of preventing the original Act from operating with regard to those liquors, and that is the only object in view.

Hon. Mr. CARVELL — I do not feel that it is just to myself and those who voted with me on the question to-night, to allow the closing remarks of the hon. the ex-Secretary of State to pass with so slight a reference to them as that which was made by the hon. Senator from Amherst. The hon. ex-Secretary of State thought fit to say that an undue influence had been brought to bear upon members of this House, and that the majority in favor of the amendment was thus secured. I feel that it is due to every gentleman in this Chamber that the hon. member should go further or go back — that he should either retract the insinuation or prove it. I think it is beneath the dignified position which every member of this House should occupy, to make such a statement. Following in the wake of the the hon. gentleman from Amherst, I may state that no one has said yea or nay to me, or wished me to do anything in reference to this matter. I do not speak for myself, for any one who knows me would know that I would not be guilty of such a thing as he insinuates.

Hon. Mr. SCOTT — I do not think I used the words "undue influence ;" I said "improper influences," and I used it in this sense : gentlemen engaged in the manufacture and traffic in intoxicating liquors have endeavored to influence members of this House to vote for the amendment. Whether they succeeded or not, I cannot say. It is not proper to introduce personalities into a debate of this kind, but there are gentlemen within reach of my voice at this moment who can confirm what I say : that large interests attacked by this Temperance Bill, were in the lobbies endeavoring to influence members to vote for the amendment.

Hon. Sir ALEX. CAMPBELL — As the hon. gentleman put it before, it was that members of this House were improperly influenced by those men in the lobbies.

Hon. Mr. SCOTT — If I find I have transgressed the rules of this House, or any hon. gentleman believes his sensitiveness has been injured by my observations, I will be glad to withdraw them. What I say is that influences were at work, very large influences, in order to have beer excluded from the operation of the Temperance Act.

Hon. Sir ALEX. CAMPBELL — What the hon. gentleman stated was that the House had been influenced by interests represented in the lobbies.

Hon. Mr. SCOTT — I stated what I had seen, and I drew certain conclusions.

Hon. Mr. HOWLAN — I think the hon. gentleman owes it to the House to withdraw those words. What right has he to say that this House has been improperly influenced ? The hon. gentleman has himself used all the influence he possesses to carry his point.

Hon. Mr. SCOTT — I had a right to use my influence.

Hon. Mr. HOWLAN — The hon. gentleman used his influence, not only inside the House, but outside of it.

Hon. Mr. SCOTT — I have a right to do so, but gentlemen, not in this Chamber, who are interested in the liquor traffic, have no right to button hole members of this House to influence them to vote one way or another.

Hon. Mr. HOWLAN — A gentleman may, on the floor of this House, by his eloquence and persuasive powers endeavor to influence the votes of hon. members, but he has no right to go into the lobbies of this House and ask hon. gentlemen how they are going to vote.

Hon. Mr. SCOTT — This is the only occasion on which I have asked hon. gentlemen to vote. I think the circumstances connected with this Act are exceptional, and that I was warranted in going much further than I would have gone under other circumstances, because it is a moral question affecting the well-being of the people of this country in the direction of peace and happiness here, and not only here but hereafter. It is the only time I have made a personal appeal to this House. I certainly am surprised to hear the hon. gentleman say that I have no right in the lobbies of this House to ask a Senator to vote in favor of a particular measure. It seems to me I have often been asked by Senators if I could not see my way to support a particular measure. I think it is quite right, and I should have been wanting in my duty if I had failed to ask anyone that I thought could be influenced by me to vote for the Bill.

Hon. Mr. ALLAN — The hon. gentleman is perfectly right to use all his influence and persuasion to get his fellow-members to vote for any measure he is interested in carrying, but when he ventures to go beyond that and say that gentlemen interested either in the passage of this Bill, or any particular amendment, have been lobbying members of this Senate, and that member of the Senate have been unduly swayed to vote contrary to their convictions by the influences thus brought to bear upon them, he is going too far, because I do not think any member of this body is open to a charge of that kind.

Hon. Mr. DICKEY — The hon. gentleman, in the heat of debate, used an expression, which, when his attention was called to it, he withdrew. I think that should be the end of it.

The Senate divided on the amendment, which was rejected by the following vote :—

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Mr. Ferrier paired with Mr. Penny, who would have voted with the majority had he been present.

Hon. Mr. VIDAL — I regret that I am obliged to speak without having had an opportunity of arranging my thoughts and framing an amendment at this stage of the Bill. I cannot, however, allow the Bill to pass its third reading without making a few observations in connection with it. I am not disposed to speak quite so strongly as my hon. friend opposite (Mr. Scott), but at the same time, I participate very largely in the feelings that he has expressed. I do think, however, without venturing to pronounce any judgment upon the action of the House, that the question which we have before us, and upon which we are to give a decision, is a more important one than, perhaps, hon. gentlemen have been disposed to think. I hold that such legislation as this is at least hasty. Parliament, in 1878, gave to the people of this country the Canada Temperance Act in response, as it has been observed on several occasions during this debate, to the demand of hundreds of thousands of our people after many years of agitation. That Bill was given and accepted as a compromise. It did not go the full length which the advocates of temperance and prohibition desired. We would have preferred it if had been possible to have obtained it, that there should be an act to prohibit the manufacture, importation or sale of those drinks which we honestly believe to be the cause of the greatest distress, misery and ruin in our country. A compromise, however, was effected to this extent, that a measure of permissive local prohibition was granted to the country. This was received by the temperance men of the Dominion, generally, with satisfaction, feeling it was perhaps all they could expect to get in the present state of public opinion. That Act has been approved of very generally throughout the country. The fact that it was given (which was mentioned rather as an argument against it) at the approach of a general election testified what? Simply that the parties in power recognized the state of public opinion, knew that this would be a popular move to make, knew that by this legislation they would gain the confidence of many of the electors of the Dominion. This Act has been received by them and brought into force in a good many counties in the various provinces. What would be the position in those counties if this amendment really becomes a part of the original Act? Parties have gone to great expense, and taken a great deal of trouble, to bring into force the Temperance Act of 1878 in its integrity, and now they find themselves put off with an Act for which they would not have crossed the street to vote. It will now become an Act to them utterly unworkable, and one which they must regard as of no possible use. Is there any provision in this Act that the rights and privileges granted them by the passage of the Act of 1878 will be secured? They have acted in good faith, believing that Parliament meant that they should have the power of prohibiting the sale of liquor in those counties that desired it; and are they to be told, after all the trouble they have gone to, that it is all done for nothing, that now, by a sudden, unasked for act of the Senate of Canada, the essential feature of the Bill is to be removed, and it is to become mere waste paper on the statute book? I hold that the people who have taken such trouble, and who in good faith brought the Act into force are entitled to some respect and protection at our hands, and that they should be given that protection by a clause allowing them to retain that prohibition if they so desire. Some such clause should be added to the present Bill, and the electors at all events should have the privilege of deciding which they would choose. There could be some provision made by which the electors in any county might decide for themselves whether they will take the law as it now is, or take it in the mutilated form in which it will appear if this amendment is placed upon our statute book. This legislation is of a most important character, affecting, as it does, the interests of every family in the Dominion. I hold it to be a matter of greater importance in relation to the public welfare than the Pacific Railway, notwithstanding all the deep interest manifested in the lengthened discussion which took place on that measure. It is a question which reaches every home in the land, and is most intimately connected with the health, prosperity, and peace of the people. In every way it is entwined with domestic happiness throughout the homesteads of our country, and yet we are here, unknown to those who are so deeply interested—without any petition coming from any province of the Dominion asking such legislation — springing upon the country a measure utterly unasked for, unexpected, and undesired by the people. I venture to say if this becomes the law of the land, our table next session will groan under the petitions laid on it, praying for a repeal of this objectionable clause; hundreds and thousands of our people will be asking that they be not treated in this way. Has any reason of a public character been shown why we should so mutilate the original Act as to render it entirely inoperative? I assert there has been nothing more than the personal and private views of individuals that we have heard in this House from opponents whenever the temperance question has come up for discussion. There has been no appeal from parties outside; no persons claim to be aggrieved by the present Act. It is sustained by public sentiment, and the public will be shocked and astonished throughout the length and breadth of the land, when they learn with dismay that the Senate has undone all the good which it did for them in 1878. I do not think that this is the last we will hear of it, if this amendment carries. My belief is that the Government will not be held free from blame if the Temperance Act be thus destroyed, although it cannot be said to be a Government measure. My belief is, that the people of this Dominion will look, as they have a right to look, to the Government to protect them in the enjoyment of the rights they possess; that they will think the Government is derelict in its duty in not saying that this legislation shall not take place with their consent until public meetings have been held to consider it, until some public bodies have demanded it, and until the newspaper press of the country has so discussed the question that Parliament shall be satisfied as to the state of public opinion on the subject. I think it is due to ourselves, and to the character of this House, that we should postpone a change so important until we have given those interested an opportunity of expressing their views regarding it. I hope the House will not insist on attaching this amendment to the Act — an amendment which will render this measure (and we temperance people are the best judges of the matter) utterly useless. Has any hon. member known as a prominent temperance man taken any part in promoting the passage of this amendment? Not one. It is not the work of temperance men; it is not an amendment proposed by those who know what will aid or injure the law, which we now have. We know well what we are doing, and what power we have under the present Act. We know that it may be made exceedingly beneficial, as it is, but we firmly believe that with the addition of this amendment to it, its usefulness will be entirely destroyed. Arguments have been very freely adduced, although I think they are not in place here, as to the efficiency or inefficiency of prohibitory legislation, and the attainment of the end it has in view. It is all very well for hon. gentlemen to stand up and tell us that in places where the prohibitory law has been put in force it has proved a failure. We know there are instances where all laws are failures, as far as preventing crime is concerned. All laws are broken by some parties. So it is no argument against the law to say that it is broken; but I contend that in dealing with this question we should take a wide view of it, and not be guided by narrow views or isolated cases presented to us. If we look at statistics which are reliable we can see that great good has resulted from the prohibition of the sale of intoxicating liquors. Can we not believe our own Commissioners — men chosen because of their fitness to make the examination with which they were entrusted, who visited the States where prohibitory laws were either wholly or partially in force? Can we not believe their report? Their testimony is irrefragable. It proves that wherever prohibitory laws have been fully or even partially enforced their results have been most beneficial to the community. Their jails have been empty for months, pauperism has disappeared, there is no need of police officers to preserve the peace. Go across the ocean and what will you find there? Have you an idea that there is no prohibition in England? I tell you that prohibition exists there in the most stringent form, and with most beneficial results. There is a power there of which we know little in this country — landlords holding extensive territory and having absolute control within its limits. Many of those landlords have laid it down as an inflexible rule, that no liquor shall be sold on their estates.

Hon. Mr. KAULBACH — Except beer.

Hon. Mr. VIDAL — Beer is also prohibited, for the beerhouse is regarded as the greatest curse that could be inflicted on a place. There are many such estates. You can find whole towns, if you like, where prohibition prevails. You have heard, no doubt, of the town of Saltaire, erected by Sir Titus Salt for his employees and their families. It is a town of 10,000 inhabitants, without a single liquor shop. What is the consequence? Almost an entire absence of crime, no pauperism, no police needed, and in place of saloons and bars and places of ill resort, they have reading rooms, libraries, and places of that kind. Go where you will, throughout the world, wherever this matter has been fairly tested, the results have been the same. I challenge anyone to prove that prohibition, where fairly tried, has ever failed to accomplish what the temperance people claim will result from it. In view of the importance of this question, and especially in view of the fact that the outside public so materially affected by it had no voice in the matter, I hope the Senate will not force on them an amendment so distasteful, and the passage of which will do great discredit to this Chamber. We stand high in the estimation of the large majority of the public, because we stood as the champions of the public rights. It gave to us a prestige in the eyes of many thousands in this country, which I very much fear will be jeopardized, if it is not entirely lost, by the position the Senate has taken to-night. I once more entreat the House by what is due to those who are looking to us for protection in this matter to refuse to pass this law as amended.

Hon. Mr. DICKEY — My hon. friend says there has been no request on the part of the temperance people for this amendment, and therefore, he says, it ought not to pass. I should like to inquire how it is he asks the House to adopt his Bill after the declaration of the father of the Temperance Act that the temperance people did not ask for it, and were not aware that it was to be brought in. If we are not to adopt the amendment because the temperance people did not ask for it, why did the hon. gentleman ask us to adopt his Bill?

Hon. Mr. VIDAL — That is a question very easily answered. In the first place, the Bill which I introduced does not affect the Act in any material way. It is merely a correction of alleged errors with a view of preventing vexatious litigation which might arise on points of no material importance. I introduced the Bill because it had been brought before the Dominion Temperance Alliance, and they desired me, if I thought the Bill of last Session might be safely introduced, to do so, because they thought it would be helpful to the Act. But rather than have any difficulty about it, though I should be glad to see the Bill as introduced carried, I would willingly let it drop.

Hon. Mr. McLELAN — The hon. senator from Amherst has asked a question. One answer may be found in the fact that the temperance people rested secure on what had been given them on the faith of Parliament. Several hon. gentlemen have admitted that this was a compromise between the temperance people and Parliament — that the temperance people came to both Houses asking for total prohibition, and instead of obtaining that, a compact was made that they should have this optional law. It was accepted, and the temperance people were satisfied, provided machinery were given to work that out in detail. Here was a compact made between Parliament and the temperance people, who are a very great power, as I think will be shown when the time comes to appeal to the country. I regard this as a very important matter which deserves more consideration than almost any question that can come before us. Hon. gentlemen should weigh this matter calmly and see what will be the effect of any amendment to this Bill. Now, I say the amendment is a violation of the compact that was made in 1878. The hon. Senator for Amherst says that this amendment does not touch the principle of the Bill. Why, hon. gentlemen, the principle of the Bill is alcohol, and this amendment allows you to touch the principle of the Bill up to ten per cent. If the legislation were consistent with the arguments that hon. gentlemen bring to sustain it, they should go further and instead of saying that ale, porter, lager beer, cider and light wines, under ten per cent. of alcohol, shall be exempt from the operation of the Temperance Act of 1878, you should extend it to the Act prohibiting the sale of liquors in the North-West Territories. Why have the white men any better right to their ale, porter beer and wines under 10 per cent. of proof, than the Indians? My hon. friend from British Columbia here to-day argued that the superiority of the white man over the Indian is because the former has been accustomed to the use of stimulants. Now, if this be true, and you want to bring up the red man, if you want to make him equal to the white man, and do away with that enormous responsibility which he is to us in the North-West, give him his wine and ale and porter, and bring him up that he may rise to our level. But I think if you did that you would just have the same result that you will have amongst the white population — drunkenness? A drunken Indian may not differ from a drunken white man, but a sober Indian is better than any number of "pale faces" drunk, but to make legislation consistent with your arguments, you should exempt these articles from the operation of the Act relating to the North-West Territories. The main force of the argument against this Bill has been that you are tyrannizing over certain persons who want ale, porter, lager beer and wines. One of my hon. friends here says that the great body of the temperance people desire to have engrafted on the Bill permission to use these drinks. If they think any considerable portion of the temperance men of this country desire that, why not give them an opportunity to say so; why not give them an opportunity to say whether they wish to exempt these beverages from the operation of the Act or not? But if the House should think fit to violate the compact made with the temperance people of the Dominion, in accepting this amendment, they should not, in justice to the public, make it retroactive. In all counties where trouble and expense have been incurred to take the sense of the people whether the Act shall be brought into operation or not; and where it is now operative, it is more unjust to go back on those people and say that all your time and trouble has been for naught, the Act only applies to certain alcoholic drinks which are above the ten per cent. Give those counties which have accepted the Act an opportunity to test whether the law, as it stands, is a benefit to them or not. If you must have the amendment, let it provide that from this time forward, in all counties that may test the question, they shall decide whether they will accept the Act, with this amendment, or not. I think it is exceedingly unfair to go back upon the counties that have the Bill in operation, and say all that they have done is of no avail, so far as total prohibition (the object at which they are aiming) is concerned.

Hon. Mr. ODELL — I am very much surprised at the argument made use of by the hon. gentleman opposite, that we should not make this measure retroactive. I think he has forgotten altogether the seventh section of this Bill as brought down by the hon. gentleman from Sarnia. There is a retroactive clause in it which I objected to when we were in committee.

Hon. Mr. McLELAN — That does not affect the principle of the Bill; that is the mere machinery for working the Act.

Hon. Mr. ODELL — It is the principle of the Bill, because, if passed as introduced, it makes this Bill retroactive, and brings it into operation together with the Act of 1878, and, as I stated upon a former occasion, it condones everything that has been done heretofore, and legalizes it, no matter what action has been taken heretofore in regard to it. That is the effect of any argument made use of now with regard to making this retroactive, and I think it comes very unfairly from any supporter of the Bill as first introduced; and moreover, the hon. Senator from Sarnia says there is really nothing in this but a couple of trifling amendments; one of them is to make the Bill retroactive.

Hon. Mr. McLELAN — My argument was that an amendment which touches the Bill should not be retroactive, but if the machinery necessary to carry out the compact made between Parliament and the temperance people of

Canada should be retroactive, there is no principle involved; it is only in the amendment.

Hon. Mr. REESOR — All parties seem to agree that something should be done towards securing the object which the Temperance Act of 1878 has in view. The hon. gentleman who moved the amendment to-day to the Bill before the House claimed to be as strongly as any other member of this House in favor of removing as far as possible by law the vice of intemperance. Now, I have not as great an objection to the principle introduced by the hon. gentleman's amendment as many have. I should rather the provision were made than not that every city, town, village, township, or county municipality should have the option of exempting itself from the operation of the Scott Act in so far as relates to the articles mentioned in the amendment of the hon. gentleman from Halifax. I would, therefore, submit to the House the following amendment:—

> "That the said amendment to the 9th clause be further amended to read as follows:—That the council of any county, city, town, village or township municipality in which the Canada Temperance Act of 1878 has been, or may hereafter be declared in force, may by by-law exempt from the operation of the said Act, the sale of ales, porter, lager beer, cider, and light wines containing under 10 per cent. of alcohol."

That would leave it to the option of the various municipalities to exempt from the operation of the Act the articles mentioned in this amendment. Where the Temperance Act is brought into force before public opinion is prepared to carry it out, it is sure to fall a dead letter. I know several counties where the Dunkin Act was brought into force by a small majority vote. It was brought into force in municipalities where public opinion was not strong enough to carry it out, and where the operation of the law under the Dunkin Act was worse than before it was passed. The consequence was the reaction became so strong in the course of a year or two that the Act had to be repealed. It is not desirable that that should take place in all cases, and I have no doubt that if in municipalities they had the privilege of exempting from the operation of the Prohibitory Act the articles mentioned in the amendment of my hon. friend from Halifax it would satisfy public opinion, and a great deal of good might be accomplished by it. I, therefore, submit the amendment to the House, and I trust the majority will sustain it.

Mr. SPEAKER ruled that the amendment, in its present shape, was out of order.

Hon. Mr. HAYTHORNE — I declined to second my hon. friend's motion because it shows the unwisdom of hasty action upon such an important matter as this. I have no doubt that my hon. friend's motive is excellent; but I believe that in my Province such a law would be inoperative — for this reason: that we have no county council, and no person by whom to put it into operation.

Hon. Mr. ALLAN — I would like to say that the amendment proposed by my hon. friend opposite is not one that the House should entertain. I do not think it will answer any satisfactory object; but I do think it would be well for the House to pause and consider whether the amendment of the hon. gentleman from Halifax, which has been carried, ought not to be made to apply only to municipalities in which the Temperance Act may come into force in the future. The municipalities in which the Act is now in force have adopted it knowing exactly what its provisions are. They knew it entailed total prohibition of liquors of all kinds; they knew what they were about when they voted for it, and I do not see that there can be any necesity for or wisdom or justice in disturbing the existing arrangements where the Act is now in operation. If the clause be made applicable to all cases in which the Act may hereafter be voted upon in any municipality then those who vote for or against it know exactly what they have to expect, and it will be for the advocates of prohibition to decide whether it is desirable for the law thus altered to be put in force, and for their opponents to decide whether they will accept it in its new shape. To my mind it would render the amendment which has just been carried a much less objectionable one if this restriction was added to it, but to adopt the clause as it now stands, with out any such restriction and to apply it to all cases where the Act is now in operation would be, under all the circumstances of the case, a very unwise proceeding, and, I venture to think, a particularly unfortunate one for this House to adopt. I earnestly hope that time may be given to consider the question, and that it will not be hurried through without careful deliberation. Undoubtedly, it is a most important subject, and one which a large number of the people of this country take a very deep and earnest interest in, and I should exceedingly regret if this House dealt with it in a hasty way, and without due regard to the serious consequences it may involve. I venture to suggest, therefore, that time should at least be given to see whether a compromise might not be arrived at, and if it is determined that beer and light wines shall be exempted, that at all events the amendment when finally passed shall only be made to apply to those municipalities in which the Act may hereafter be enforced.

Hon. Mr. ALMON — Did I understand the hon. gentleman to say that he is paired with the hon. gentleman from British Columbia?

Hon. Mr. ALLAN — Certainly, but that does not prevent me from speaking to the Bill. It only prevents me from voting.

Hon. Mr. BOTSFORD — That Act has been called into force by minorities in many districts. If the temperance people had adopted the course which was suggested to them by gentlemen who were favorable to some law which could be enforced in the Dominion, they would have the sympathy of the majority of the people, and there would be no such difficulty as they now have to contend with. The objection to the suggestion made by the hon. gentleman from Toronto is simply this: in large counties where there are five or six thousand voters, for instance, in my own County, the Act was brought into operation by the votes of some 900 electors, and it is being violated from hour to hour.

Hon. Mr. ALLAN — Why did not the others vote?

Hon. Mr. BOTSFORD — Had such an amendment as that of the hon. gentleman from Halifax, been made to the Act they would have the full sympathy of the majority of the people; but the temperance people, in their enthusiasm, think that by passing an act they can make a man sober. They make a great mistake when they think by enacting laws they can cure all those evils. I shall give a single illustration of the working of this Act in the County from which I come. I have the very best information that that law is being violated in very part of the County. Respectable hotels are closed up, and a class of people who have not the requisite means of accommodating the public sell drugged liquors indiscriminately. Such parties, when convicted, not having property to pay fines are put into jail, and find themselves in more comfortable quarters than they had before. What is the result? You have the sympathy of the people enlisted against this law, as in some cases the persons who sell liquor are women. I feel satisfied that the proposition of the hon. gentleman is not one that can be sustained; because it is not enforced by the consent of the majority of the people when it is brought into operation.

Hon. Mr. McCLELAN (Hopewell) — The Act has not been long in force in the County of Westmoreland, and I think if it gets a longer trial the hon. gentleman will find it to work satisfactorily. In some other counties where it is in force, they find the same difficulties exist, the same alleged deficiency in the Act that my hon. friend from Sarnia has now attempted to remove. Therefore, the proceedings under the Act have to some extent rested in abeyence. The object of this measure is to declare what the law means, and to make it more efficient in its enforcement. I differ very much from the observations which have fallen from my hon. friend as to the minority bringing the Act into force. The vote which has brought the law into force is practically the same as that which has elected members of Parliament. If the majority of the electors do not turn out to record their votes for a member of Parliament we have just as much reason to say that the member is elected by the minority as that this Act is brought into force by a minority when the people do not go to the polls to vote against it. If the electors do not oppose it, it shows that there are very few people indeed who object to this excellent law — excellent so far as I hear any general expression about it, for I hear very little condemnatory of it in New Brunswick. I cannot understand why the same feeling would not pervade that class of people who may have a personal interest in turning out to oppose this law, as that which influences those who support it from disinterested motives. The fact that so few turned out to oppose the measure shows conclusively that it was perfectly well known what the public sentiment was, and that there was no necessity for very many to vote for it. It was well understood that there was no considerable number of people in favor of defeating it. Had they thought for a moment there was any opposition that would jeopardize the election there would have been a much larger vote. I cannot, therefore, understand the force of the arguments of hon. gentlemen in bringing up as an objection to this law, that there was such a small vote against it in some of the places where it has been put into operation in New Brunswick. Even as it is, the vote in favor of the law has been three to one. I was very much struck with an observation which fell from my hon. friend from Londonderry, and subsequently from the hon. gentleman from Toronto. Those counties that have taken the initiatory steps for the enforcement of the law have acted in good faith in bringing the second part of this law into force, and I say it would be an act of injustice and a breach of faith for this Legislature to enforce an amendment now to entirely destroy the law and disappoint the expectations of its friends. Therefore, I do not think, as an act of justice to those constituencies where the initiatory steps have been taken, and to those different counties where the law is already in operation, that an amendment should be adopted that would be retroactive in that respect. They at least should be allowed to carry out what they have so well begun.

Hon. Mr. REESOR withdrew his amendment.

Hon. Mr. GIRARD — I may be considered as trespassing upon the patience of the House, but it seems to me it is my duty to make a few remarks on this amendment. It was my intention on the third reading to submit an amendment, providing that when any constituency petitioned for the introduction of the Canada Temperance Act of 1878, the electors should be allowed to express their opinion as to whether they should adopt the Temperance Act as it is at present or in the modified form proposed by the amendment of the hon. gentleman from Halifax. I have had some experience in the liquor trade, and in the sale of beer, porter, and such light drinks. Our Local House during last session enacted a law by which licenses could be granted to sell beer; but it is well known that the houses which have taken out licenses under that Act are the real dens of the Province, and we will be forced, without doubt, next session to repeal that law as being one of the most injurious measures on our statute book, because the trade which is done under those licenses, and which is presumed to be inoffensive to those who frequent such houses, is the worst kind of liquor traffic. My intention at present is to ask that Manitoba should be exempted from the operation of the amendment adoped to-day. I, therefore, move that the Bill be not read the third time, but that it be referred back to the Committee of the Whole House, to be amended as follows: — At the end of clause B to add the words: "And the said clause shall not apply to Manitoba."

Hon. Mr. HOWLAN — I do not rise to oppose the Bill, but, in my opinion, both of the amendments are out of order.

Hon. Mr. SCOTT — The amendment is quite in order.

Hon. Mr. HOWLAN — I do not think any hon. gentleman has a right to move an amendment, altering the form of this Bill, without giving twenty-four hours' notice.

Hon. Mr. BELLEROSE — I believe that in legislation of such importance as this, the House proceeds rather too quickly. There are many things to be considered, and I believe that some members of this House hailing from Quebec do not thoroughly understand the question. In the Province of Quebec the feeling is that the liquor traffic ought to be greatly restricted, that the evil produced by that traffic is such that all means ought to be taken to end it. The feeling there is so much in that direction that the Legislature of that Province has passed a law giving to municipalities the right to prohibit the sale of all liquors, including beer, cider, wine, and such beverages within their limits. By the judgment of the Supreme Court, it has been established that the Local Legislature had no power to legislate in that direction; that such legislation was *ultra vires.* Well, if that is the case, the Parliament of Canada should come to our help, and give us a law that will enable us to prohibit the liquor traffic when so desired. We have now that law on the statute book, why then so amend it as to make it at least useless? I do not see why we from Quebec, like the hon. member from Manitoba, should not ask that the Province of Quebec be exempted from the amendment of which he complains. It is stated by the hon. the mover of this Bill, that if the amendment is carried the Temperance Act is killed. I may say, hon. gentlemen, that such is my own opinion, and that opinion is based upon fifteen to twenty years' experience. During that period I have been in a position to know something of this matter. I have found during my experience that whenever a license is given to sell beer, cider, wines, or to open what is called a temperance hotel, a thing which is allowed in our Province, it is giving indirect facilities to sell ardent spirits at the same time. I, myself, know of many cases where temperance hotel keepers were sued for selling strong liquors. What was the result? Parties sueing had to pay the costs, and were laughed at by the beer sellers. The law is evaded, and it is impossible to punish those who violate it. Though I am not in favor of the Temperance Act, as it stands on the statute book (in fact, I have always opposed it, even when the ex-Secretary of State presented his Bill to the House, I spoke against it, and am still against it), yet, I say that when we cannot get better, we should take what is offered to us. I contend that, if the amendment of the hon. gentleman from Halifax is made part of the Temperance Act of 1878, it would be better to repeal the Act altogether, as its effect, instead of promoting temperance, would be the very opposite. As a representative of the Province of Quebec, I ask this Senate to postpone consideration of this amendment we are now considering, until we can frame such a law as will be satisfactory to the different parts of the Dominion, because the proposition now made will not give satisfaction. The hon. gentleman from New Brunswick (Mr. Botsford) has asked hon. gentlemen who oppose the amendment, if we believe that by making laws we can compel people to be temperate. I will ask the hon. gentleman, does he believe that every law he votes for will make people good? How is it that Parliament passes laws to punish the Sabbath breaker? Does he think that such will make better Christians of Sabbath breakers, if they do not wish to obey God's laws by enacting human laws against Sabbath breakers? Certainly not. But it shows that we have to make laws to force men to do their duty to their Maker and maintain order. Such are the reasons why we have to enact laws on the subject of temperance. It is well known that in this Dominion of ours the liquor traffic is a great evil, and we have to deal with the case as it stands. Therefore, I hope that this vote will not be taken to-night, and that the adjournment of the debate asked for by the promoter of the Bill will be allowed, so that we shall have time to consider the best direction in which the present law should be amended.

Hon. Mr. SCOTT — The proposition made by my hon. friend behind me (Mr. Girard) to exclude Manitoba from the operation of the Act as amended, is so reasonable that I am quite sure, looking at it in connection with the Bill introduced by the Government, for the extension of the boundaries of Manitoba, there can be no possible doubt as to the propriety of accepting his amendment. It was the unanimous opinion of Parliament that the liquor traffic should be excluded from the North-West. We propose, by the Bill before the House, to enlarge the Province of Manitoba by taking in a slice from the North-West Territories twelve times as large as its present area. This House not only on former occasions, but during this debate, admitted that it was right and proper, in consequence of the existence of considerable bands of Indians in that territory, that the liquor traffic should be excluded. People have gone into that country and settled there with the full knowledge that such would be the future policy of the Government in that territory. I say, therefore, to be consistent with our own policy, and to be consistent with the statements made this evening on the floor of this House, it is our duty to exclude the territory about to be added to Manitoba in the Bill the Government proposes to submit for our consideration. I see the leader of the Government, and when he takes his place I shall put the question direct to him. I desire to call the attention of of the Government to the proposition that has been submitted to this House by the hon. member from Manitoba. That hon. gentleman has moved, in amendment to the amendment to the 9th clause, making provision that the latter part of that clause shall not apply to Manitoba. I notice in a Government Bill that is on our table, that the boundaries of Manitoba are to be enlarged to twelve times the size of that Province as it at present exists. In that increased area the policy of the Government has been in the past, and I doubt not will be in the future, to continue the prohibitory law now on our statute book in reference to the North-West. Do they propose, in bringing this new territory into the Province of Manitoba, that the prohibitory law shall be repealed as far as that particular section of the country is concerned, or will the Government be prepared to accept the suggestion of my hon. friend from St. Boniface, to exclude Manitoba from the operation of that law?

Hon. Sir ALEX. CAMPBELL — I do not see that the hon. gentleman has any particular right to put the question to the Government in this shape. This is not a Government measure. I am not voting for it as a Government Bill, which it is not, but, speaking as a member of this House, I do not see that you can make any distinction between Manitoba and other parts of the Dominion. You can make a distinction between that Province and the North-West Territories; the latter are under the jurisdiction of the Dominion, but you ought not on any sound principle of legislation, to make any distinction between one province and another. Although some inconvenience may possibly arise, considering the population which is to be found in that country, still I do not think it would do to have two sets of laws in the provinces of the Dominion — one under which beer might be sold, and another under which beer might not be sold. The Province of Manitoba, as it shall be enlarged, will be subject to all the laws which have been proposed affecting Manitoba — as it exists — save as regards subjects which are within the jurisdiction of this Parliament. All the laws that have been passed by the Dominion, relative to Manitoba, will apply to that territory which is added to it. Amongst other laws will be this Temperance Act, as amended by Parliament; but it is quite manifest to any hon. gentleman who reflects upon it, that it will be subject always to what we have enacted regarding subjects within our jurisdiction, as distinguished from that of the local legislature.

Hon. Mr. SCOTT. — Then I understand the hon. gentleman to say that the effect of taking in that additional territory will be to withdraw that territory from the operation of the present prohibitory law as affecting the North-West. The Government are prepared to say that the thousands of Indians who live in that territory shall be subjected to the influence of intoxicating liquors, but the Indians who live on the other side of the provincial boundary shall be preserved from it; that we have a paternal interest for those who live outside, but we are content that those who live inside the province shall be allowed to annihilate themselves with liquor. I do not think it is worthy the Government to come to such a conclusion. I say it is an extraordinary conclusion to come to. The Government, and both political parties, took some little credit to themselves for having established a prohibitory law in the North-West; the people have gone in and settled there on that basis; but now you are going to withdraw a considerable portion of it and add it to Manitoba — an area of territory so large that Manitoba is dwarfed into the size of a county when compared with it — and declare that the prohibitory law shall no longer be in force there. I consider it is inconsistent on the part of the Government, and a departure from a wise policy.

Hon. Sir ALEX. CAMPBELL — You will have the laws of Manitoba, but also those which the Parliament of the Dominion have alone power to deal with?

Hon. Mr. SCOTT — No; the greater should include the less. Manitoba should, at all events, have an opportunity of pronouncing whether she shall adopt the prohibitory law or not. Here is a territory where the prohibitory law has been actually in force — advisedly in force, not by the action of the people, but by the action of Parliament—and the people have gone into that territory on the faith that the prohibitory law was to be maintained there in the interests of the Indians and those who settle amongst them. The consequence of such action as is now proposed will, I believe, be fearful. If it be that the prohibition is to be abolished in that large area of territory the consequence will be something that one cannot contemplate without horror. That whole country will at once be subject to the liquor traffic. People will rush in there from all directions and liquor will be sold indiscriminately to the Indians, and the consequences will be dreadful.

Hon. Sir ALEX. CAMPBELL — We will discuss that when the Bill comes up.

Hon. Mr. SCOTT — I will discuss it now; it is germane to the subject under discussion, and the hon. gentleman knows whether I am exaggerating the case or not. The hon. gentleman knows whether it now requires a large force to protect that territory from the importation of liquors — villainous stuff that goes under the name of "forty rod," "fire water," that poisons the people and drives them crazy. But we are going to open that vast territory to the liquor traffic, and permit it to be sold without reserve. The consequence of such a step will be something terrible.

Hon. Mr. GIRARD — I wish to explain that I mean Manitoba as it is, within its present limits. I do not go further than that. I suppose the part of the territories to be annexed to Manitoba should enjoy all the benefits conferred on them in the law for their organization.

Hon. Mr. SCOTT — The Government do not say so.

Hon. Mr. GIRARD — I do not know what the Government will say when the Bill comes before the House. I should perfer not to have the extension without these privileges. I think that they have facilitated, up to the present time, the colonization of that territory, and if you take those privileges from them I do not know what the consequences will be. I thought I could come with confidence to this House, and ask them to confer upon Manitoba the benefits enjoyed by the North-West Territories — that is, to let the law stand as it is now. Since the passage of that Act it has been adopted by more than half of the Province of Manitoba, and before many months I am satisfied that it will be in force in three-fourths of the Province. I should be sorry to see all that work lost, and, therefore, I ask this House to exclude Manitoba from the operation of this clause which has just been incorporated in this Bill. If the House will adopt my amendment it will render a service to Manitoba, as it has often done before.

The members were called in.

Hon. Mr. DICKEY — My hon. friend behind me generally manages to carry his point, and I should like to assist him, if it is to be the end of this discussion. I, therefore, wish to know from the leader of the Opposition whether, in case my hon. friend who has charge of the Bill, will assent to this amendment, it will be allowed to pass without further opposition?

Hon. Mr. SCOTT—I do not think my hon. friend ought to ask me to completely sacrifice all the views I have on the subject. I think the point will be gained, and we will be but doing an act of justice if we comply with the suggestion of the hon. member from Manitoba.

Hon. Mr. BELLEROSE — Even though the hon. leader of the Opposition had consented to let the Bill pass without further opposition, I do not know that he has the right to bind anybody else. I do not feel myself bound by any such arrangement, and will move any amendment I see fit.

Hon. Mr. DICKEY — I made the suggestion in the interest of peace. The House will understand the spirit in which it has been met, and will understand the necessity under the circumstances of voting down the amendment which has been offered, an amendment which I was desirous, personally, of securing, if it was to put an end to the discussion.

Hon. Mr. GIRARD — I offered the amendment on my own personal responsibility, and was surprised when the hon. member from Ottawa did me the honor of seconding it. I did not speak to anybody on the subject of my amendment.

The Senate divided on the amendment, which was rejected by the following vote:—

CONTENTS:

Hon. Messrs.

Aikins,
Armand,
Baillargeon,
Bellerose,
Chaffers,
Chapais,
Flint,
Gibbs,
Girard,
Grant,
Haythorne,
Leonard,
McClelan (*Hopewell*),
McLelan (*Londonderry*)
McMaster,
Pelletier,
Reesor,
Scott,
Stevens,
Trudel,
Vidal,
Wark.—22.

NON-CONTENTS:

Hon. Messrs.

Almon,
Botsford,
Boucherville, de,
Bourinot,
Boyd,
Ferguson,
Glasier,
Hamilton (*Inkerman*),
Hope,
Howlan,

Bull,
Campbell, Sir Alex.
Carvell,
Cornwall,
Dever,
Dickey,
Dickson,
Kaulbach,
Lewin,
Montgomery,
Northwood,
Odell,
Ryan,
Simpson.—24.

Hon. Mr. SCOTT called for the ayes and noes on the motion that the Bill be read the third time.

The Senate divided on the motion, which was agreed to by the following vote:—

CONTENTS:

Hon. Messrs.

Almon,
Botsford,
Boucherville, de,
Bourinot,
Boyd,
Bull,
Campbell, Sir Alex.,
Carvell,
Cornwall,
Dever,
Dickey,
Dickson,
Ferguson,
Gibbs,
Glasier,
Hamilton (*Inkerman*),
Hope,
Howlan,
Kaulbach,
Lewin,
Montgomery,
Northwood,
Odell,
Ryan,
Simpson.—25.

NON-CONTENTS:

Hon. Messrs.

Aikins,
Armand,
Baillargeon,
Bellerose,
Chaffers,
Chapais,
Flint,
Girard,
Grant,
Haythorne,
Leonard,
McClelan (*Hopewell*),
McLelan (*Londonderry*)
McMaster,
Pelletier,
Reesor,
Scott,
Stevens,
Trudel,
Vidal,
Wark—21.

The Bill was then read the third time and passed.

Hon. Mr. ALLAN—I wish to offer an explanation with regard to a question of order. I was not aware that when a member paired with another member of the House with reference to his vote on a particular question that he was thereby debarred either from appearing in the House, or, if he appeared, from speaking on the question. Such has not been, so far as I can recollect, the practice of this House or of the House of Commons; since I have spoken, however, I have had an opportunity of seeing a paragraph in May in reference to the subject, from which it would appear, though not very clearly, that this is the practice in the

House of Lords. If, therefore, I have unwittingly offended against a rule of the House, I apologize for doing so, and particularly to the hon. member from Halifax.

THE PRINTING OF PARLIAMENT.

SIXTH REPORT OF THE COMMITTEE.

Hon. Mr. SIMPSON moved the adoption of the sixth report of the Joint Committee on the Printing of Parliament. He explained that it was one of the ordinary reports recommending the printing of certain documents.

The motion was agreed to.

ADDITIONAL JUDGES IN QUEBEC BILL.

SECOND READING.

Hon. Sir ALEX. CAMPBELL moved the second reading of Bill (58) "An Act to provide for the salaries of an additional Judge of the Court of Queen's Bench, and an additional Judge of the Superior Court, in the Province of Quebec."

The Bill was read the second time.

CRIMINAL JUSTICE IN DISPUTED TERRITORY BILL.

THIRD READING.

Hon. Mr. AIKINS moved the second reading of Bill (64) "An Act to continue in force for a limited time the Act 43rd Vic., chap. 36."

The Bill was read the second and the third time and passed.

GRAND TRUNK RAILWAY BILL.

SECOND READING.

Hon. Mr. FERRIER moved the second reading of Bill (21) "An Act respecting the Grand Trunk Railway of Canada."

The Bill was read the second time.

CONSOLIDATED INSURANCE ACT AMENDMENT BILL.

SECOND READING.

Hon. Mr. BELLEROSE moved the second reading of Bill (P) "An Act to amend the Consolidated Insurance Act, 1877." He said the object of the Bill was to require foreign companies that had done business in Canada, but withdrawn from the country, to have an agency in the province where they had done business, so that any judicial proceedings might be served upon them.

The Bill was read the second time.

ONTARIO AND QUEBEC RAILWAY COMPANY'S BILL.

FIRST AND SECOND READING.

Bill (23) "An Act to incorporate the Ontario and Quebec Railway Company," from the House of Commons, was introduced and read the first time.

Hon. Mr. ALLAN moved the suspension of the 41st Rule, in order that the Bill might be advanced another stage.

The motion was agreed to and the Bill was read the second time.

BILLS INTRODUCED.

Bill (57) "An Act to provide for the correspondence of certain provisions of the Act respecting the navigation of Canadian waters, with the provisions for like purposes in force in the United Kingdom."—(Mr. Aikins.)

Bill (76) "An Act relating to the Canada Military Asylum in Quebec."—(Mr. Aikins.)

A QUESTION OF PRIVILEGE.

Hon. Mr. BULL—Before the adjournment, I wish to draw the attention of the House to the fact that my name has a second time been left out of the division list. I would not have paid any attention to the matter if a correspondent at Ottawa had not written up to a paper published in the city from which I come about it. I desire to have my name put on the division list on the Consolidated Railway Act Amendment Bill, in which it did not appear. I was here, not only on that occasion, but I have voted in every division that has taken place this session.

The Senate adjourned at 11.10 p.m.

THE SENATE.

Thursday, March 10th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

THIRD READINGS.

Bill (40) "An Act to incoporate the Bay of Quinte Railway and Navigation Company" (Mr. Read), was reported from Committee, read the third time and passed.

EXCISE DUTIES ON MALT.

INQUIRY.

Hon. Mr. READ rose to inquire: —

"Whether it is the intention of the Government so to amend the Inland Revenue laws that the excise duties may be collected upon beer instead of malt?"

He said: I should like to say a few words before making this inquiry of the Government. It is within the knowledge of the House, no doubt, that the excise duty is collected on beer in the United States, and not on malt. Last year a bill was introduced by the British Government in the same direction and it was carried through Parliament, so that at the present time in England the excise duty is collected on beer instead of malt, and has been since October last. Those who have been watching the proceedings in the United States Congress will have observed that for two sessions at least, if not longer, there has been an agitation there to increase the duty upon malt entering the United States. There are two parties interested in this movement — the brewers and the maltsters. In this country maltsters are generally brewers as well, but in the United States they are two distinct interests, as there are very few cases in which the brewers make their own malt. The brewers are purchasers of malt, hence it is to their advantage that malt should be allowed to come into the country under as low a duty as possible. It is owing to the opposition of the brewers that the duty on malt has not been increased. That it will yet be increased I have no doubt, and my object in asking this question is to draw the attention of the Government to the matter, so that, when we are prevented from entering the United States market, we may possibly have a market in England under the alteration of the law in the Mother Country. There is no reason that I can see why we should not send malt to England as well as barley. The quantity of barley imported into England is very great. The imports of barley into Great Britain for the year 1878, from the latest returns we have, were as follows: —

Russia..........	4,827,663	cwt.	£1,479,325
Sweden.........	460,587	"	219,523
Denmark.......	1,854,103	"	897,934
Germany.......	3,150,017	"	1,544,608
France..........	459,568	"	220,094
Hungary........	82,618	"	43,431
Turkey..........	1,026,868	"	316,048
United States...	1,084,562	"	316,402
B. N. America..	57,892	"	21,617
Other countries.	14,082	"	5,640
	14,146,919	cwt.	£5,542,503

Or 33,030,727 34-48 bushels.

The Canadian exports of barley in 1880 were: —

To the United States......	6,732,403 bushels.
To Great Britain..........	488,623 "

valued at $4,482,585. Up to the present time I find that there has been no malt imported into England. The reason for that is obvious when you come to look at the import and excise duty. In the first place, foreign barley was not as good as the native grain, and then it had to bear high rates of import and excise duties. The malt duty was three shillings a bushel, and the only return I can find of imports was one of five quarters of malt imported from France in 1878. Last year we exported to the United States 37,988,788 pounds of malt, valued at $843,132. It may be expected that we will soon have the British market open to us for the export of malt. I think it is open to us already, and there is no reason why we should not sell a large quantity of malt in England. My reason for making the inquiry of which I gave notice is that maltsters may know whether under this change of circumstances they are to be relieved of this excise duty. It is true that they get a drawback on the malt they export, but the trade is burdened with troublesome and expensive regulations. If it would answer the exchequer as well, it would be a great convenience to free this industry, for which the markets of the United States and England are open, and collect the duty from beer instead.

Hon. Mr. AIKINS — The statistics given by my hon. friend are very interesting, and I presume that many hon.

members of this House were not aware of the extent to which the barley trade is carried on in this country as well as in other countries, and the amount of malt that is used in England for brewing purposes, perhaps more than for purposes of food. There is this difficulty, however, in making the change designated by the hon. gentleman in his speech: It is true that in the United States the excise duty is levied on beer instead of malt, but I think it is admitted, even in that country, that about forty per cent. of the duty is lost. That is the opinion of those who are most conversant with the trade there. In England, which is a very thickly peopled country, and where an excise officer is found in almost every neighborhood, there would be less difficulty in seeing that the duty is collected on the beer than in the United States. But I may state to my hon. friend that, although the present Administration in England has thought proper to make a change and collect the duty on beer rather than on malt, it was done for reasons other than the hon. gentleman supposed. It was understood that the cost of collecting that duty would be largely increased, and one of the first things that was done was to appoint about 300 additional excise officers to attend the breweries and see that the duty would be properly collected. Now my hon. friend says it is rather harassing to have restrictions placed on the production of malt. It is very true, but if the change he desires were made it would be transferred from the maltsters to the brewers. At present there is very little attention paid to the brewers. The malt houses have to be watched very closely, and the necessity for it is very great, particularly in a sparsely settled country like this. The moment you allow malt to go out, then you afford every opportunity for those who wish to indulge in illicit distilling. About fifty dollars will enable any tinsmith to get up sufficient apparatus to enable a man to distil spirits if he has the malt, but the difficulty is to get the malt. It is a difficult matter in a country like this, where you have any amount of unoccupied territory, such as woods and swamps, to prevent illicit distilleries from being carried on, and if the duty was taken off the malt and placed on beer our revenue would be very much diminished, while the amount of illicit distillation would be ten times as large as it is at present. The matter has engaged the attention of the Department, and I quite agree with my hon. friend that, in consequence of the English market being opened to us to send malt there, every facility should be afforded to maltsters to make malt with as little trouble and expense to themselves as possible. The barley interest is a large one in this country, and the Government are quite alive to the necessity of seeing that the trade is not hampered in any way whatever. It is not, however, the intention of the Government to make the change to which my hon. friend has alluded.

Hon. Mr. READ — I can quite understand the necessity there is in England to employ three hundred officers more to look after the brewers than the maltsters, because in the part of England from which I came nearly every person brews. A farmer would almost as soon think of going into the farming business without a plough as without brewing utensils. In England the law is such that a person occupying a house worth less than ten pounds a year does not pay any duty on the beer he brews, and I do not think he has to take out a license. Licenses are issued for six shillings to those who brew for their own use on a larger scale, but not for sale, so that you can easily see why so many officers are required to look after brewers in England. I think the hon. gentleman's remarks about illicit distillation in this country are rather far fetched, because although it does take a small portion of malt — I think about 220 lbs. of malt to 17,000 or 18,000 lbs. of grain — almost anybody can make it if he choose.

Hon. Mr. REESOR — I am very glad the hon. gentleman from Belleville has called the attention of the House to this question. I think, so far as possible, the Government ought always to allow the manufacture of malt for a foreign market to be as free and as little restricted as possible.

Hon. Mr. AIKINS — So it is.

Hon. Mr. REESOR — The hon. gentleman says "so it is," but he must bear in mind that those who engage in the manufacture of malt do not want to be encumbered with the payment of an inspector.

Hon. Mr. AIKINS — Neither does the brewer.

Hon. Mr. REESOR — They do not want an inspector to watch over every bushel of malt that they manufacture for export.

Hon. Mr. AIKINS — They do not pay the duty on what they export; it is sent out in bond.

Hon. Mr. REESOR — All these things require a certain amount of inspection and expense, and the fewer restrictions there are placed on the trade the better. There is another reason why the tax should be on the beer rather than upon malt, whether it is for brewing or for export. If you put a high duty upon malt, you place in the way of the brewer a temptation to use glucose, and other substances often less wholesome, in order to save the use of malt. If the malt is allowed to be purchased free, there will be little temptation for the brewer to use improper substances in the manufacture of beer. Then, so far as illicit distilling is concerned, I think it makes very little difference whether the duty is placed on malt or not, because wheat, rye, corn, or malt will produce whiskey. The same risks will be run, and the same efforts will be made to carry on illicit distillation, whether there is a duty on malt or not. The only way to prevent illicit distillation of whiskey, is not to place the duty on spirits so high as to tempt persons to incur great risk in breaking the law, on account of the large profit they would make if they escape punishment.

Hon. Mr. AIKINS — The Government are so well aware of some of the facts related by my hon. friend that they reduced the tax on malt from two cents — the duty paid under the late Government — to what it is at present, one cent.

SENATOR FABRE'S MISSION TO FRANCE.

INQUIRY.

Hon. Mr. TRUDEL rose to call the attention of the Government to the sixtieth item of the Supplementary Estimates of Canada for the year ending 30th June, 1881, and asked for explanations as to the details of the expenditure and the nature of the special services therein mentioned. He said: It is with a great deal of reluctance I approach this subject. I had, on a previous occasion, the honor to put some questions to the Government relative to the mission of Senator Fabre to France, and what was the expense incurred by that mission. The reply of the Government on that occasion was that the hon. gentleman did not represent the Governmen , that he had no mission to the Government of France, and, consequently, there was no public expense incurred on his account. A short time after receiving this reply, I had occasion to look at the Supplementary Estimates, in which I found (item 60) a sum of $2,931 that had been paid to the Hon. Senator Fabre for expenses connected with special services in France. I was under the impression that it was not the first item of this kind connected with the name of that gentleman, and, on referring to the Debates of last year, I found that the hon. gentleman from De Lorimier is reported, at page 83, as having made a similar inquiry, in which he stated that three different sums of $500, that is $1,500, had been paid to the same gentleman. The reply of the hon. lderea of the Government on that occasion was that he saw nothing unconstitutional in it, and nothing but what was worthy of praise that a member of this House should have an opportunity to render some service to this country. In order not to misrepresent what the hon. Minister said on that occasion, the House will allow me to quote his remarks as reported in the Debates: —

> "It is not an unusual thing to ask a member of Parliament to undertake a public duty of this kind, or at all events, a similar kind. The opportunities which members of this House have of serving their country in such a way are sufficiently limited, and I do not see that we, of all people, should try to diminish those opportunities. Suppose Mr. Fabre had been a member of the House of Commons instead of being a member of the Senate, there would have been no objection to employing him in this way."

I may say that, in alluding to this subject again, I owe it to myself to declare that it is not with a desire to find fault with the Government for having paid that comparatively small sum of money, or for having charged a member of this House with such a commission, and I might add that I quite concur in the opinion expressed by the hon. Postmaster General that the position of a member of this House should not prevent him from discharging such duties as that. It is well known that in the different countries of Europe, and England particularly, missions of high character and importance are generally entrusted to members of the Upper House. I have already expressed my opinion several times that if similar missions were given to members of this House its tendency would be to raise the prestige of the Senate. Nor do I regret that the hon. gentleman alluded to has received this money, but this mission is a matter of very great humiliation for the French representatives in this House. I repeat, it is with a great deal of reluctance that I return to this subject, and it is the same feeling I have always experienced whenever I have felt it my duty to allude to it, but most hon. gentlemen must be aware of the feeling of disatisfaction that prevails in the Province of Quebec on the supposition that Senator Fabre has been entrusted by the Government with a mission to France, and if no voice is raised in this House to ask for an explanation of the matter we would be considered as recreant to our duty towards our Province. On a previous occasion, when I put my questions to the Government, I referred to some Paris correspondence which Senator Fabre was contributing to the press of Quebec, and which I consider to be demoralizing to the French speaking citizens who read those communications. The articles I refer to are a eulogium of principles, men, and action, which every good citizen of this country cannot but condemn, and I must again express my regret that the Government should have placed that gentleman in a position to write such articles. I have no doubt that the reply of the Postmaster General was strictly in accordance with the facts, but it was to us rather strange that the Government should say that Senator Fabre is on no mission on their behalf, and that no public expense is incurred on his account, without any more explanation, when we see sums in the estimates for his benefit. Last year, when it was ascertained that he had received fifteen hundred dollars, no remarks were made by the French Conservatives on that account, and because we thought his employment to have been accidental. But this year the name of the hon. gentleman appears again in the Supplementary Estimates for a sum of nearly three thousand dollars, and yet the Government say they have nothing to do with Senator Fabre, and he has no mission from them to France. While I have no right to complain of the manner in which the hon. Postmaster General answered my question, I consider that his answer might have been somewhat more satisfactory. But he has obliged me to renew my inquiry, and call his attention specially to this item in the Supplementary Estimates. Hon. gentlemen know very well the peculiar circumstances in which the French speakers in this House are placed, and the injustice that has been done to the French element by having no representative of that nationality and language in the Cabinet in this House. I happened to be absent when this question was brought before the House on the Address, but the hon. gentleman will recollect the feeling that was expressed on that subject. It was stated, and, I regret to say, incorrectly stated, in this House that if the rights of the French Canadian element were not recognized in the Senate it was due to the feeling that existed in the Lower House. The hon. Minister asserted that if we have no representative of that element in the Government in this House it was due to the fact that the French members of the Commons were opposed to it, and required the presence of all the French Ministers in their House. I say it was incorrectly represented to be so — and I use the word "incorrectly" advisedly — not because I believe the hon. Minister wilfully made a false statement to the House, but because I have reason to know, and I have written evidence signed by a majority of the representatives of our language in the other House belonging to the Conservative party, that, when it was said it was on account of their unwillingness that our element was not represented here, that statement was incorrect. I may say that there is much anxiety amongst the

French members of the Commons to have a French representative on the Treasury Benches in the Senate. I do not accuse the hon. members of the Government in this House ; I am confident that the ignoring of our rights in this respect does not meet with their approval ; still I am obliged to look at the fact that, while the French element is ignored in this House — when old public servants who deserved so much for their sacrifices and devotion to the Conservative cause are left aside — the only member of this House who seems to have attracted the attention of the Government is a man, as everybody knows, who belongs to a different political party, who always fought the Conservative party and its principles, and who has never lost an occasion to express his contempt for this very House. This is a very delicate matter, and if it was a matter personal to me I would prefer not to mention it at all, but I say that the feeling in our Province is very strong on this subject. It is considered — I will not say an insult — but something not far from an insult to the French Conservatives of the Senate, and if the French representatives in this Parliament would seem to be indifferent they would be considered by their countrymen all over the Dominion as being unworthy of their seats in Parliament, untrue to their principles and to their duties, and unmindful of that national honor which ought to exist amongst us.

Hon. Sir ALEX. CAMPBELL — I am very sorry that I misunderstood my hon. friend the other day when he put his question. I had supposed on that occasion he had seen this item, and was anxious to know whether the services for which this item appears were still going on. "Whether Senator Fabre was still employed on a mission by the Government, and if so, what the expenses were." I understood him to ask it in that sense, and I said, No, that Senator Fabre was not now employed, and that the Government was not under any expense on his his account. If my hon. friend, in his inquiry, had asked if Senator Fabre had been employed, and if so, what had been his errand, and what expenses had been incurred, my answer would have been different, but that was not the question which was put.

Hon. Mr. TRUDEL — I had not seen the Estimates, but I had heard it spoken of amongst the people that Senator Fabre had received a certain amount of money from the Government. My attention was called to the subject by an hon. gentleman in the other House, who pointed out to me the item in the Estimates concerning immigration, and who told me it was part of that sum which had been paid to the gentleman in question. It was in consequence of that I did not look in the Supplementary Estimates.

Hon. Sir ALEX. CAMPBELL — If I had understood the question in the way the hon gentleman now asks it, I should certainly have said Senator Fabre had been employed as the Estimates show, but that employment ceased some time ago, and that the item in the Estimates now is to pay Senator Fabre, not for present services, but for services rendered in the past. The character of the mission which was confided to Senator Fabre was this: He was going to Paris about the time when negotiations were commencing between representatives of the Canadian Government there — Sir Alex. Galt and Colonel Bernard — and the French Government, having for their object the obtaining of such a reduction in the duties on Canadian ships seeking French register as England then enjoyed — which would have made a difference to Canadian shipbuilders of 38 francs a ton — to be compensated to France by a reduction upon productions of France coming into Canada, which arrangement, if successful, would tend very much to improve the commercial relations between the two countries. Sir Alex. Galt, as the hon. gentleman knows, is not a Frenchman, and is not familiar with French usages, or French society, or official life in France, and it was supposed that Senator Fabre had many advantages from his intimate knowledge of that country, in which he had resided, and of its leading men, that might be useful to us, and that his services in gathering statistics, and influencing public opinion through the newspapers in France, would be of great value to Sir Alex. Galt in the prosecution of his mission. Therefore it was arranged that Senator Fabre, on the occasion of his visit, should render such services as he could. Being a member of the Senate, it was understood that he would not be paid anything for his time, but that his travelling expenses would be met. Those travelling expenses amounted to a great deal more than was expected at the time, but Mr. Fabre, while in Paris, may no doubt, have been obliged to be at some expense in propitiating those who had influence — in the way of hospitalities, I mean — and this sum was paid to meet his travelling expenses and residential expenses while in Paris. His mission closed some time ago; I do not know exactly the date. I suppose that is all the hon. gentleman wishes to have in the way of information on this subject. I would have given the information on the previous occasion if I had understood more fully what the hon. gentleman wanted. With regard to the remarks which have fallen from my hon. friend respecting the want of a member of the Government in this House from the Province of Quebec, I do not know that I can with any advantage add anything to what I stated on that point on a previous occasion. I then stated, as far as I knew, what were the circumstances, and I expressed my own feeling and the feelings of my colleagues on the subject, and, I do not think I can advantage the public service by saying anything further on that matter.

THIRD READINGS.

The following Bills were reported from Committee, read the third time and passed.

Bill (48) "An Act respecting the Canada Consolidated Gold Mining Company."—(Mr. Flint.)

Bill (44), "An Act to incorporate the Association known as the J. Winslow Jones Company, limited."—(Mr. Reesor.)

MONCTON HARBOR IMPROVEMENT BILL.

SECOND READING.

Hon. Mr. McCLELAN moved the second reading of Bill (59) "An Act to incorporate the Moncton Harbor Improvement Company." He said: This Bill has been petitioned for by a number of enterprising gentlemen of the town of Moncton, for the purpose of working out a harbor improvement at that place. The situation of that town may not be known to many hon. gentlemen in this House. It is a thriving place, increasing in population very rapidly, owing to the public works that have been established there in conjunction with the Intercolonial Railway, and the Sugar Refinery and other factories that have recently gone into operation. Owing to the peculiar tidal phenomena that exist at Moncton, shipping cannot remain afloat when the tide recedes, and the proposed improvements consist in part in the cutting of a canal from the main river — Petitcodiac — to a point on Hall's Creek, a small tributary, which is to be closed at its junction with the river. By this means, a provision will be made for the greater safety of vessels, which will then be able to lie afloat while receiving or discharging cargoes. It is thought that this improvement will be a great convenience to the trade of that port, and will promote the traffic on the Intercolonial Railway. It is for this purpose that several gentlemen have associated themselves together and ask for this act of incorporation. The Bill has undergone a close scrutiny in another place, and I trust there will be no objection taken to it in this House. I move that the Bill be read the second time.

The motion was agreed to.

ADDITIONAL JUDGES IN QUEBEC BILL.

THIRD READING.

The House went into Committee of the Whole on Bill (58) "An Act to provide for the salaries of an additional Judge of the Court of Queen's Bench, and an additional Judge of the Superior Court in the Province of Quebec."

In the Committee,

Hon. Sir ALEX. CAMPBELL — When this Bill was read the second time last night I said I would give such explanations as might be desired upon it to-day. The Legislature of the Province of Quebec have declared that the presence of another Judge in the Court of Appeals, and also one in the Supreme Court, is necessary in that Province for the due administration of justice, and they have passed a law to that effect, and this Bill is for the purpose of providing salaries for those judges. They are both, as I am informed, to be in Montreal. The judges there now cannot keep pace with the legal business, and it is necessary that there should be these two additional judges. I thought, in view of this Bill, and in view of our previous discussions on similar bills, that I would obtain a statement of the number of judges in the various provinces, and the number in proportion to the population. It is as follows: In Ontario thére are 13 judges of the Superior Court, and 47 in the County Courts — 60 judges to a population, at the last census, of 1,620,000. In Quebec there are in the Queen's Bench 7 judges, in the Superior Court 26, in the Vice-Admiralty 1, making 34 judges to a population of 1,191,000. I ought to mention here, though I daresay most hon. gentlemen know it, that in the Province of Quebec the judges of the Superior Court have complete jurisdiction in civil matters, and that there is no County Court or court of similar jurisdiction. That must always be borne in mind. In Nova Scotia there are 7 judges of the Superior Court, and 7 of the County Court — 14 in all to a population of 387,000. In New Brunswick there are 6 Supreme Court judges, and 5 County Court judges -- 11 judges to a population of 285,000. In Manitoba there are 3 Queen's Bench judges, and I believe a County Court is now being established. In British Columbia there are 5 judges of the Supreme Court to an estimated population now of 60,000. In Prince Edward Island there are 3 judges of the Supreme Court and 4 County Court judges to an estimated population of 100,000. That would give, in Ontario, one judge to 27,000 of the population; in Quebec 1 to 35,000; in Nova Scotia 1 to 27,000; in New Brunswick 1 to 25,000; in British Columbia 1 to 12,000; in Prince Edward Island 1 to 14,000; so that altogether the number of judges compared to the population is not very unequal. I thought the committee would be interested to hear these satistics. My hon. friend who sits near me informs me that there are only 3 County Court judges in Prince Edward Island. That would be 6 to a population of 100,000 or 1 in every 17,000.

Hon. Mr. MILLER — I think the information which the Hon. Postmaster General has given to the House, although accurate in one respect, is somewhat misleading in another. The fairest gauge to apply in the question under consideration would be the gauge of cost. I think if that gauge was applied to the judiciary of Quebec as to cost, the result would be very different from what the numbers, in the way in which he has given them, would make it appear to the House; because in Ontario, for instance, a large number of County Court judges, (I think 47 he said there were) have salaries ranging from $2,000 to $2,400, whereas nearly all the judges in the Province of Quebec have $4,000 at least, and many of them receive $5,000 a year.

Hon. Sir ALEX. CAMPBELL — Not all.

Hon. Mr. MILLER — There may be one or two exceptions, but the bulk of them are paid $4,000 each, and many $5,000; that is, as large a salary is paid to a District Court Judge in the Province of Quebec as to two County Court Judges in Ontario and other provinces of the Dominion. I think if a calculation were made as to the cost of the administration of justice in the various provinces, the inference which would be drawn from the figures just given by the hon. Postmaster General would hardly be borne out. However, that is a matter of comparatively small importance. It is, however, a matter of very great importance, in my opinion — this increase from year to year of the judiciary. I have conversed with men holding prominent positions at the bar of Quebec, who say that these judges are not required, who say, at any rate, the requirements of that Province do not necessitate the appointment of another judge of the Court of Appeal. I do not know how that may be, but this opinion has been expressed to me by gentlemen who ought to be qualified to form a judgment on the matter. When this subject of increasing the judiciary has from time to time been before this House, I have thought it my duty to differ from the position which has been assumed by both Governments with regard to the question. It seems to be taken for granted that whenever the legislature of any province of the Dominion thinks proper to increase the number of the provincial judges, this Parliament is obliged to find the salaries of those judges. Now, I think it is time that the Government took into its serious consideration the result which is going to follow from the unlimited admission of such a doctrine.

Hon. Mr. SCOTT — Hear, hear.

Hon. Mr. MILLER — I do not think it is at all consistent with the spirit or letter of the British North America Act that this Parliament is not justified in exercising an absolute control over all increases of the judiciary by refusing to provide the salaries unless we are convinced of the necessity of such additions, regardless of the views or wishes of the local legislatures. I think myself it is an anomaly in our constitution, and a very unfortunate one, that the power of creating judges is given to the provincial legislatures, which have no responsibility whatever with regard to the payment of their salaries; for we all know there is nothing so likely to limit the exercise or abuse of such a power as the obligation of providing means to pay for the judges. I am sorry to say, on all occasions when a bill of this kind comes before the House, it seems to be taken for granted by the Government of the day that it is the unavoidable duty of the Government to provide the salaries of any judges that the local legislatures may choose to create. I do not speak now with regard to the judgeships more particularly under the notice of the Committee, but all creations of this kind. We know the influences which can be brought to bear to create those positions in all the provinces, so long as there is no responsibility for the payment of their salaries by the local legislatures. If the doctrine which has been all along accepted on this subject is understood in this country to be the rule which is to prevail under the Constitution, I think it is high time that the Government should seek a remedy for the abuse (I think it is a fair word) which ultimately — I do not say it is now the case — this divided authority will certainly lead to. I think there is another cause of complaint in relation to the cost of the administration of justice — the number of superannuated judges. I think there are ten or eleven in the Province of Quebec.

Hon. Mr. BUREAU — One is practicing at the bar

Hon. Mr. MILLER — Some of these judges, I understand to be as strong and able to perform their usual work as ever they were — much more so than many men I know of who are on the bench today. This superannuation business is getting to be a serious matter. There is a great deal of unjust and unreasonable animadversion made on the profession to which I have the honor of belonging, but I do think that in connection with this question there will be a good deal of room in a very short time for very decided feelings in Parliament, and out of it, if these changes are allowed to go much further.

Hon. Mr. TRUDEL—As I have some personal knowledge of what takes place in the courts of the Province of Quebec, I may say that what has been stated by my hon. friend is to a certain extent inaccurate. It is incorrect to say that the appointment of these two judges is unnecessary; on the contrary, it is essential to the proper working of our courts. It is the common opinion, and it is to my certain knowledge, that to ensure the perfect working of the courts in Montreal three more judges are required in the Superior Court. I venture to say there is no part of the Dominion, and perhaps, no part of the world, where judges have so much to do as in the City of Montreal.

Hon. Mr. MILLER—How is it in the outside districts?

Hon. Mr. TRUDEL — Each judge in Montreal renders twice as many judgments—sometime three times as many—as any judge in any other part of Canada. I have not the statistics before me, but they have been published from time to time, and can easily be procured. The hon. gentleman says he was told by a member of the bar of Quebec that this increase of judges might be avoided. I do not deny that, and I will explain how it could be done. For two or three years past the bar of the Province has given serious consideration to this question of the administration of justice, with a view to improving the working of our tribunals, especially in the City of Montreal, and they have come to the conclusion that even the appointment of an additional judge for the Superior Court would not be sufficient. Believing that it would be very difficult to obtain the appointment of three more judges, some members of the bar proposed to abolish a certain number of the judicial districts in the Province, or change the law and deprive those districts of their judges. Some of those districts are very large — for instance, Saguenay and Gaspe — but few cases arise in them. They proposed to take the judges from such districts and add them to the judiciary in other districts, and by this change they thought that twenty-six judges would be sufficient. Now, the present division of the Province by districts has existed for many years. It existed before Confederation, and the experience of the other House shows that you can hardly touch the question of depriving existing districts of their judges without raising a feeling of indignation among the people of those districts. In fact, the change cannot be made without causing real injustice. Though some of those judges have not much to do, their presence in those districts has a tendency to prevent disorders, and has a good moral effect on the population. Those districts existed before Confederation, and when Quebec entered the Union the Federal Government undertook to pay the salaries of the judges. An additional judge in the Superior Court of Montreal is an absolute necessity. As to the Court of Appeal, some of the judges are old men, and, the work being very heavy, they are frequently sick. It happens every term, in fact, every two or three days, that the Court is unable to sit, unless a substitute can be got for any of the judges who may happen to be sick or disqualified, or unfit to take his seat from some other cause. We have not enough judges in the Superior Court, and they are so busy that none of them can replace a judge of the Court of Appeals who may be unable to sit. The consequence is that sometimes four or five days are lost during the term. Now, the appointment of a sixth judge to the Court of Queen's Bench will not materially augment the expense, because under the existing state of affairs, owing to the fact that the judges in Montreal are too busy to furnish a supplementary judge for the Court of Appeals when one is required, the Chief Justice is obliged to call in judges from rural districts, and in such cases the latter are allowed so much per day and travelling expenses. If you take into account the sums which are thus paid, you will find that they amount to more than the sixth judge of the Court of Appeals will receive. The hon. gentleman referred to the number of superannuated judges, some of whom, he seems to think, were allowed to retire prematurely. Out of the whole number only two are in perfect health. There are three who, strictly speaking, might serve again on the bench. One of them, Judge Day, is nearly eighty years of age. He was appointed on the Commission to codify our laws from 1860 to 1867, and, after the completion of that work was superannuated. Notwithstanding his age he still enjoys good health. The other, who is the hon. judge who is alluded to as practising at the bar is not by any means in perfect health, though he might be able to act on the bench, but under the law he was entitled to superannuation, and he retired. Another one is, it is true, in good health, but unfortunately is deaf, and he was forced to accept superannuation on that account. These are the only cases to which my hon. friend could have alluded, because all the other superannuated judges are unfit, from failing health, to discharge the duties of the office. In the past they rendered valuable service to the country, and no one can blame the Government for having superannuated them. Now, as to the number and remuneration of the judges in the Province: it is true that those in Montreal and Quebec receive $5,000 each, and all the others, with one or two exceptions, receive $4,000 each, but we have only twenty-six judges of the Superior Court, and thirty-two of all jurisdictions, while in Ontario there are more than sixty——

An Hon. Member — The County Court judges are forty-seven.

Hon. Mr. TRUDEL — I have not the precise figures before me, but I know that they are much more numerous and that their salaries taken altogether amount to much more than than those of the Quebec judges, so that the amount paid in salaries cannot be complained of. Now, as to the local authorities augmenting the number of judges, and the Dominion Government paying the salaries, it must be borne in mind that Confederation would not have been accepted without that condition. The late Government, as well as the present Administration consented to necessary additions to the judiciary. If we want the federal system to work harmoniously, we ought to consider the provincial authorities competent to decide as to the number of judges requisite to administer the laws. I do not think, therefore, that there is any abuse; at all events, it is a right recognized by the constitution.

Hon. Sir ALEX. CAMPBELL — I think the observations made by my hon. friend from Richmond are in many respects very just, and they deserve the serious consideration of the Government. The judiciary is increasing certainly in all the provinces, and it is an anomaly that the increase should be in the hands of one authority, and the payment in the hands of another. I do not know whether my hon. friend from DeSalaberry is quite right or not, but it is a question which ought to engage the attention of the Government, and, in consequence, what has been said I will take some opportunity, as early as possible, to bring under the notice of the Government in order to come to some definite view as to the policy which ought to be adopted.

Hon. Mr. BELLEROSE — I consider it would not be right to reduce the number of judges, because I have myself seen the difficulty experienced in the courts of Montreal, and other districts, by the scarcity of judges to attend to cases. If money is so scarce, and the public treasury is so low, that we have to refuse the demands of those who contribute to the public revenue, we ought to economize in some other direction. It is a well recognized fact that Parliament created a Supreme Court fifteen years before there was any necessity for it, and I am sure if we had not had so many lawyers in Parliament the Court would not have been established. I must say that I was astonished when the Supreme Court Act was passed. From 1867 to 1873, the Government of Sir John A. Macdonald brought that Bill before Parliament every year, and I was one of those who went to Sir John Macdonald and Sir George E. Cartier, and told them that if they proposed the second reading of that Bill I should be obliged to use my utmost exertions to defeat it. It was only after Mr. Mackenzie's Government came into power — that is to say, the party who, in both Houses had always opposed the Conservative Government on that question — that the Act was passed. Having friends that they wanted to place on the bench, no doubt, they changed their views, and, as one man, carried the Supreme Court Bill. It will be remembered in this House there was only a majority of two in favor of the measure; and how was that majority secured? I recollect very well that it was then stated the late Mr. Letellier, in order to carry his point, had to ask some members of the Senate to leave the House, in order that he might have a majority. Therefore, I say, if we must practice economy, it would be better to repeal the Supreme Court Act, and give our provinces more judges, so that the public who have to furnish the revenue of the country might not be obliged to wait for months, and sometimes for years, to have their cases decided and to obtain justice. I am not a lawyer, but, looking at the judgments of the Supreme Court, I am forced to the conclusion that it is not worth its cost to the country; and if that money had been expended in the construction of railways, and deepening of canals, the public would have derived far more benefit from it.

Hon. Mr. MILLER — I go further than the hon. gentleman does, and admit that the expense of the judiciary is no argument at all against the creation of judges whenever they may be required, without having any reference whatever to the Supreme Court and the expenditure in connection with that tribunal. I shall be ready at all times to go so far as to say that, no matter what it may cost, it is necessary that justice shall be efficiently administered in all parts of the

Dominion. This is one of the first duties of the Government, and one of the first interests of society, and, therefore, justice must be administered no matter what it may cost. It was for that reason that, when the Legislature of British Columbia, supported by representatives of that Province in the other branch of this Parliament, thought fit to change their judiciary and appoint five judges for a comparatively small population, I was one of those who supported the measure brought down by the Government to carry out that change. But we should be satisfied before we create new judgeships that the wants of the country and nothing else are at the bottom of the claims which are made upon us. Now, with regard to the Supreme Court, I was one of those who voted for its establishment, and I must say I regret very much the expression which has fallen from my hon. friend, and the opinion which is entertained by many hon. gentlemen in this branch of the legislature and in another, in reference to the utility of that court. I, however, have never seen any reason to change the opinion that I entertained as to the necessity, under our Federal system of Government, of a Supreme Court for the Dominion, if we expected the Confederation to exist or the authority of the laws to be upheld. I say it is a necessity under the system of Government which we have established that the laws of the supreme Federal Parliament should not be dependent for their construction upon the local benches of provinces. It is necessary for many reasons that there should be a high Court of Appeal for this Dominion. There is so much likelihood to be a clashing of authority between the Federal and Provincial Legislatures, that, for that reason alone, some supreme tribunal is required to reconcile conflicting decisions. I regret to find such a strong hostility in the Province of Quebec to that tribunal. I do not know whether there is any just cause for it or not. I do not attempt to pass any opinion upon that point, yet I cannot shut my eyes to the fact that where the feeling is so unanimous and deep seated in that important Province against the Supreme Court, that it is a serious cause for regret, and should be a question for the serious investigation and consideration of the Government. Whether it might be wise to limit the jurisdiction, in future, of that Court to questions of a purely federal character, or allow the present extended jurisdiction which prevails on mostly all questions arising before the courts in the different provinces, is a subject on which there is a very wide difference of opinion. Coming from an English speaking province, I think I express the feeling which prevails in Nova Scotia, New Brunswick and Prince Edward Island, when I say that the Court is a necessity, and has, so far, given satisfaction in its decisions to those provinces. Now, with regard to the expense of that Court, if we are to have such a tribunal at all, I do not think it would be possible to have inaugurated it under more economical conditions than those which exist, but I am inclined to think that that Court has already, in connection with the adjudication of heavy claims against the Federal Government, saved to the country, perhaps, more than the whole cost of its maintenance for many years to come. I am of opinion that by the intervention of that Court in the settlement of heavy claims against the Government in connection with important public works, and the application by that Court of strict legal principles to such claims, the Dominion has been saved a very large amount of money. I understand from what has taken place in another quarter that it is the intention of the Government during the coming recess to give that question consideration, and I feel that it is due to the Province of Quebec that the dissatisfaction which exists there with regard to the Supreme Court, should receive full investigation. If any alteration can be made which will remove the present complaints, I am sure the Government will be disposed to make it. I do not think any party in particular is to blame for creating that Court. The leaders of both parties have always considered it necessary. The introduction of such a measure by Sir John Macdonald several sessions before he went out of power in 1873, shows that he must have considered that Court necessary, although difficulties stood in his way in regard to the establishment of it. If I am not much mistaken, when when the Bill was before Parliament the right hon. gentleman gave the Government of the day all the assistance in his power in maturing the measure, and received from the Minister of Justice, in Mr. Mackenzie's Government, a public expression of thanks for the great assistance he had afforded them in connection with the measure; so much, indeed, that the Minister of Justice declared from his place in Parliament that he would hardly have undertaken the task at all, butfor the mature condition in which he found the subject in the Bills which had previously been submitted to Parliament by his predecessor in office.

Hon. Mr. BELLEROSE — I would be ready to adopt the hon. gentleman's views so far as the Exchequer Court is concerned. That Court may be a necessity, but I am opposed to the Supreme Court as a court of appeal. Is there any one man in any province of the Dominion who can conscientiously say that he is satisfied with the decisions of that tribunal, when we see cases which had been decided in one way by the unanimous opinion of the judges of the provincial courts reversed by a bare majority in the Supreme Court here? What confidence can we have in the decisions of a court two of whose members declare the judgment of the three others to be wrong. When a man is obliged to pay five or six thousand dollars because the judges stand three to three, has he not reason to believe that he has been robbed of the money? If we could do away with the appeal to England, then I could understand the necessity of having such a court for the Dominion, but it is well known that, although a case may be decided in Ottawa, an appeal to England is still open. The hon. gentleman has spoken of the feeling of dissatisfaction in Quebec. How can we have confidence in a court, two-thirds of whose members do not know the A B C of our French laws? When our Provincial Court of Appeal, whose members are thoroughly versed in our laws, give a decision in a case, with what confidence can we come to a court, a majority of whose members are ignorant of the elementary principles of those laws? That is one of the causes, and the frequent divisions in the Court must excite general distrust in other provinces. Therefore, I contend if it must exist the Court should deal simply with exchequer cases and constitutional questions. Even as to constitutional questions, though I am not a lawyer, I have my own judgment (and I sometimes think it is pretty good), and some of their decisions have seemed to me wrong. Believing, as many others do, that the Court is undeserving of public confidence, I believe that the expense which it entails is lost to the country.

Hon. Mr. McMASTER, from the Committee, reported the Bill without amendment.

The Bill was then read the third time and passed.

CONSOLIDATED INSURANCE ACT AMENDMENT BILL.

IN COMMITTEE.

The House went into Committee of the Whole on Bill (P) "An Act to amend the Consolidated Insurance Act, 1877."

Hon. Mr. MONTGOMERY, from the Committee, reported the Bill without amendment.

NAVIGATION CORRESPONDENCE BILL.

SECOND READING.

Hon. Sir ALEX. CAMPBELL moved the second reading of Bill (57) "An Act to provide for the correspondence of certain provisions of the Act respecting the navigation of Canadian waters with the provisions for like purposes in force in the United Kingdom." He said: Prior to the last session of Parliament there was a law on the statute books, passed in 1868, respecting the navigation of Canadian waters. That law provided that open fishing boats should not be required to carry side lights, but if they did that they should have a green slide. That was altered in 1880 to meet and run with the change made by the Imperial Parliament in their law upon the subject of vessels carrying lights. Power was taken in the English Act to postpone the operation of it in case it was found desirable to do so. By proclamation of

Her Majesty the operation of the English Act was postponed until September next. It was desirable, of course, that we should have the same rule with regard to carrying lights as theirs, and this Bill suspends the operation of our law, which follows theirs, until theirs goes into operation, and in the meantime, during the suspension of our Act, the law of 1868 shall be the one which governs fishermen.

The Bill was read the second time.

CANADA MILITARY ASYLUM BILL.

SECOND READING.

Hon. Sir ALEX. CAMPBELL moved the second reading of Bill (76) "An Act relating to the Canada Military Asylum at Quebec." He said: When the Imperial Government withdrew their troops from Canada, a property at Quebec called the Canada Military Asylum, upon which certain pensions were then charged, was handed over to the Government of the Dominion. It was kept for some time as an asylum, but is now to be sold. The lease is to be cancelled, and the property sold to the Church of England Female Orphan Asylum for $6,000. I have a statement in my hand showing that this will be no loss to the country, but rather a saving as contrasted with the present state of things under which the Government pay these pensions.

The Bill was read the second time.

The Senate adjourned at 5.35 p.m.

THE SENATE.

Friday, March 11th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

THIRD READINGS.

The following Bills were reported from Committee, read the third time and passed:—

Bill (21) "An Act respecting the Grand Trunk Railway of Canada."—(Mr. Ferrier.)

Bill (23) "An Act to incorporate the Ontario and Quebec Railway Company."—(Mr. Allan.)

BILL INTRODUCED.

Bill (S) "An Act to amend the Indian Act, 1880."—(Sir Alex. Campbell.)

THE CATTLE TRADE WITH ENGLAND

Hon. Mr. DICKEY — Before the Orders of the day are called, I should like to call the attention of the hon. Postmaster General to a question raised here the other day with regard to the export of cattle to England. I have taken the trouble to inquire into the circumstances, and I am now in a position to state for the information of the House and of the country, that the hardship is quite as bad as I then represented it to be. The regulations referred to were dated on 15th January last, therefore, possibly, the High Commissioner may have been misled when he was told that in the month of February there were no new regulations Those regulations I need not repeat, because the effect of them is stated in a letter from one of the shippers from Amherst, which I will take the liberty of reading to the House, as it states the matter more concisely than I can do: —

> "All the cattle of the screw steamer *Edinburgh* were shipped at Halifax, and with the exception of 25, all came from the counties of Westmoreland and Cumberland."

The writer, one of the owners and shippers, states that they were not allowed to be taken into the country, from London, and the cattle had to be slaughtered in six days. The loss was about $10 per head; that is to say, instead of getting any profit at all, there was an actual loss on the shipment of that amount, all owing to the new regulations. The whole number of cattle was 444. I will quote also from a letter from the same source — one of the shippers — to show the effect of that Order: —

> "The Order in Council makes all cattle liable to be slaughtered at the first market where they are offered for sale, and the consequence is, that you are limited to a few buyers of that particular market, and they put their heads together and give what they please. Formerly, persons from all parts of England, Scotland and Wales, came to London or Liverpool, as the case may be, and took away the cattle to their respective markets; but now they are not allowed to do so, and it makes the export of cattle a bad business."

In this particular case, had it not been for the fortunate circumstance that those shippers had shipped a quantity of dead meat, on which they made a profit, they would have been out of pocket to the extent of $10 a head on the live cattle; but they were able to recoup themselves out of the dead meat, so as to come out about square on the whole transaction. Perhaps the House will pardon me for referring to that trade, of dead meat, for it is possibly a more important business than the cattle owners generally consider it. The cattle are slaughtered here, and the offal is probably of more value here than when the cattle are slaughtered on the other side of the water, while the labor is done in our own country. Freight is much less on dead meat, as the shippers only pay for so much less space in the modern improvements in refrigerators. Insurance is trifling, and the meat is delivered in as good order on the other side of the Atlantic as when it was shipped. I mention it in this public way in order that public attention may be drawn to the subject, so that this trade may be prosecuted in other places than in Halifax, where it was first commenced in Canada to any large extent. I wish to make another observation, to show the very great advantage we have in the Dominion of Canada for the shipment of cattle, an advantage that has not been very much adverted to. It is in the single fact that instead of crossing from New York, Boston or Baltimore by the southern passage in the summer season and getting into a warmer latitude, vessels cross from our ports through the cooler latitude of the North Atlantic, and are not exposed to the same trouble with regard to ventilation and heat as they have to undergo in the southern passage; but it is because this advantage is largely counteracted by the new regulations that I have felt it my duty to call the attention of the House to the matter, and I need no apology for doing so. I think it is a question that deserves to be inquired into, because, really, while our cattle are perfectly free from disease, there can be no possible necessity for this regulation. With regard to the other point, on which I promised to inquire, as to whether this steamer *Edinburgh* had been in the habit of carrying cattle — I am told that this steamer had not carried any cattle for a long time previously; therefore, it could not possibly have come within any regulation as having carried foreign cattle within three months. This regulation may not be felt at present on the St. Lawrence, but in a few weeks, when shipments begin from the St. Lawrence ports, it will seriously interfere with our trade.

Hon. Sir ALEX. CAMPBELL — Certainly no apology is due to the House for bringing this matter under its notice. I am sure the hon. gentleman is doing a service to the country in bringing the question up again. I should like to ascertain if the steamship *City of Edinburgh* sailed from any port in the United States within three months from the time she began this voyage?

Hon. Mr. DICKEY — My information does not go to that extent, but is to the effect that she carried no American cattle or dead meat. All the cattle were Canadian.

Hon. Sir ALEX. CAMPBELL — It may turn out that the vessel touched at some port which had been proclaimed. I will take care that the matter is brought at once under the notice of the Minister of Agriculture, and will endeavor, as far as it is possible, to take any steps which may be in our power to prevent the recurrence of what has so disastrously happened upon this occasion.

Hon. Mr. READ — I think there is some misconception in this matter. As I understand the letter that has just been read, and as I understand the Order in Council, it says that Canadian cattle may be taken to any market — say the great London market — and shall be slaughtered on leaving that market; but cattle coming from the United States are not allowed to be landed alive at the meat market. Their market is where they are taken from the ship, and they never come in contact with other cattle at all. These cattle, as I understand it, had to be slaughtered at the market to which they were first brought; they could not go to another market in England.

Hon. Sir ALEX. CAMPBELL — That may be the explanation.

Hon. Mr. READ — If you read the Order in Council you will see that is the explanation, that they be slaughtered at the market to which they are first taken; that they cannot be sent all over the country. I admit that it is restricting the privileges that we had, but still it is a great privilege, because they go to the different markets of London, and there they can be taken to any place in London or its surroundings, and slaughtered; whereas the American cattle are slaughtered at once.

Hon. Dr. BROUSE — Is not Liverpool the principal market for Canadian cattle?

Hon. Mr. READ—Not at all; they go to London.

Hon. Mr. REESOR — Until very lately most of the cattle were shipped to Liverpool, and then re-shipped to other markets, as stated by the hon. Senator from Belleville. However shippers in Canada say they cannot realize for the producer, on the whole, any greater price than on cattle shipped from New York, for this reason: — that cattle are carried from New York at a cheaper rate, low enough to make up the difference of the disadvantage under which they labor in being obliged to slaughter them at the place of landing. In Canada we had the privilege, up to a very late period, if we have not it now, of reshipping it to other markets in the United Kingdom, after landing at Liverpool; but still the charges of carrying cattle across the Atlantic from Montreal were so much higher than from New York that this advantage did not realize any more for the cattle bought in Toronto than for cattle purchased at Buffalo, where there is an advantage in price. On board the line for shipment to the Old Country the charges for carrying are increased sufficiently to leave the producer no more than if he shipped by another route. If I understand the report in this case correctly, the cattle that were landed were found to be be diseased with the foot and mouth disease.

Hon. Mr. DICKEY — What statement has the hon. gentleman for that?

Hon. Mr. REESOR — I saw it in the newspapers.

Hon. Mr. DICKEY — It is a mistake; that was a different cargo altogether.

The subject then dropped.

THE JUDICIARY.

EXPLANATION.

Hon. Mr. TRUDEL — I desire to make an explanation in reference to a statement made yesterday as to the number of judges in the several provinces. I find that the whole number of judges in the Province of Quebec, whose salaries are paid by the Federal Government, is 32. In Ontario 63, or about double. The expenses of the Courts in Ontario amount to $206,200, and in Quebec to $154,500. That is, the administration of justice in Ontario costs the Federal Government $52,000 more than it costs in the Province of Quebec. Now, after the addition of two new judges, the number in Quebec will be increased to 34 against 63 in Ontario, and the difference in cost will be $41,000 in favor of the Province of Quebec.

MANITOBA BOUNDARIES BILL.

IN COMMITTEE.

Hon. Sir ALEX. CAMPBELL moved that the House go into Committee of the Whole on Bill (R) "An Act to provide for the extension of the Boundaries of the Province of Manitoba." He said: — It was understood that I would give the explanations which were due to the House, with reference to this Bill, on this occasion, and while you, Mr. Speaker, were still in the chair. The Province of Manitoba, as originally constituted, seems but a very small speck on the map of the great North-West. The old province extends 87 miles to the west of Winnipeg, 45 miles to the east of it, and 102 miles to the north from the International boundary, and contains 13,464 square miles. The new boundaries proposed are as follows: — On the west a line 189 miles west of Winnipeg; on the east the Province will extend to the west limit of Ontario, wherever that may be; on the north to the 12th base line 264 miles north of the International boundary; and on the south by the International boundary, covering an area up to a line due north from the forks of the Ohio and Mississippi, of 154,411 square miles, or something like 11 times its present area. It will be observed, by the map on the table, that on the east we do not lay down a line in the same sense as we do on the south, west and north; but suggest a dotted line, as what the boundary line between Ontario and Manitoba will be, as the present Government of the Dominion believe the law establishes it. I know that there is a contention on that point, and that many hon. gentlemen — including, I believe, my hon. friend opposite — (Mr. Scott), think the boundary line between Ontario and this new Province will be very much to the west of the line which is laid down upon the map; but I do not think we need enter into the discussion of that question because there is no effort — of course there could be no reasonable effort — made to settle that boundary line by this measure or in this way. We say, wherever the western boundary line of the Province of Ontario is, that shall be the eastern boundary line of Manitoba. It may be said that we should not establish that as the eastern boundary of Manitoba, because it is not a defined line, a line not yet ascertained; but we thought that was a less objectionable way than to take any line short of that, or to leave any space between the boundary line of Ontario and the new boundary line proposed to be given to Manitoba. For instance, supposing we had taken the line which is now by a sort of consent between Ontario and the Dominion recognized as the line for convenience sake — and it is perhaps 100 miles, I dare say, to the west of the one laid down in the map — there would be an extent of country 100 miles by 264 (if I am correct in the distance from east to west), which would be disputed territory; not in the Province of Manitoba, and to which the claim of Ontario has not yet been established. So, on the whole, it was thought to be attended with less difficulty to say that the Province of Manitoba should extend to the western boundary of Ontario, wherever that might be ultimately established. Now, in extending these limits it is, of course, a matter of interest to the House to know what the population is within the proposed extension; and I have had such a statement prepared. The statement, assuming the eastern limit to be as marked on the map, is as follows:—

INDIANS.

In the Province of Manitoba—	
At St. Peter's, Brokenhead River, Rosseau River and Long Plain........	2,800
West and north-west of the Province of Manitoba—	
At Waterhen River, Crane River, Little Saskatchewan and Riding Mountain........................	433
North of the Province of Manitoba—	
At Fort Alexander, Black River Sandy Bay, Yellow Quill, Duck Bay, Ebb and Flow and Broken Fingers, Fairford, Lake St. Martins, Manitoba Lake, Berens River and Islands........................	2,405
East and north-east of the Province of Manitoba—	
At North-West Angle, Big Island, Whitefish Bay, Shabaskang, Buffalo Bay, Shoal Lake, Rat Portage, Islington, Rainy River, Manitou Rapids, Little Forks, Rainy Lake, Flower and Eagle Lake, Mattawan, English River, Lac Seul, and Lac de Mille Lacs........................	2,389
Total.................	8,427

WHITES.

Prince Arthur's Landing and Township of McIntyre....................	2,500
Township of Oliver..................	500
Fort William and Neebing............	1,250
Mattawan..........................	250
Sibley...........................	750
Also a number of people along the line of railway works who have taken up locations....................	1,000
Total.................	6,250

Total population of Indians and Whites, 14,677.

Then the area of the new Province is, as I have stated, 154,411 square miles.

Hon. Mr. SCOTT — That is predicated on the assumption that the province will extend eastwards to a line shown on the map.

Hon. Sir. ALEX. CAMPBELL — Yes. The following is a statement of the area of the several provinces of the Dominion, specially interesting in connection with the subject before the Senate:—

Ontario...........	109,480	square	miles
Quebec............	193 355	"	"
New Brunswick.....	27,322	"	"
Nova Scotia........	21,731	"	"
British Columbia....	390,344	"	"
Prince Edward Island	2,133	"	"

North-West Territories, as they exist at present..........	1,898,000 square miles
Keewatin, as at present	309,000 " "
Islands in the Arctic region...........	311,000 " "
Islands in the Hudson Bay..............	11,400 " "
Total area of the Dominion...........	3,406,542 square miles.

Then as to the laws which are to be in force in that portion of the Dominion — supposing this Bill to go into operation — we propose that all the laws of Manitoba which are now in existence shall extend to the new territory, as far as those laws do not conflict with any laws of the Dominion. These laws are introduced into the new Province by subsection A of clause 2. In framing that sub-section I should add the following words to the end of it — to make what I say more clear, that it is not intended that the laws of Manitoba shall over-ride the laws of the Dominion — "subject, however, to the provisions of section 3." I was more anxious about this provision in consequence of the debate which took place the other day in this House on the subject of the Temperance Act. I fully recognize the importance of taking every precaution to prevent any doubt arising as to the mode in which the Indians who dwell in this territory to be added to Manitoba are to be treated with regard to the possibility of traffic in liquor amongst them. As the law now stands, that traffic is absolutely prohibited, and it would have been very disastrous, I thought, if, in consequence of, or as growing out of, any want of thorough care in the preparation of this Bill, any doubt could be justly thrown upon that question. I was unable to acquiesce in the suggestion made by my hon. friend from Manitoba, in the interests of his Province, that the amendment suggested in this House to the Temperance Act, by my hon. friend from Halifax, to allow beer, and some other liquors which were mentioned, to be sold notwithstanding that Act — I was unable to agree in the amendment suggested by the hon. Senator from Manitoba, to except Manitoba from the operation of that provision, because I thought it very objectionable legislation to pass a law which should operate only in some provinces of the Dominion and not in others. I do not think that is a sort of legislation which we have any precedent for either, as far as I remember, in this country, the United States, or in older countries. It will be said, of course, that in older countries there is no necessity for it; but we might look for precedents in the United States. I am not aware of any law passed by Congress, intended to operate in some only of the States of the Union, and not generally, and in which one or more States are exempted. I think it was better to leave Manitoba proper to take care of itself under the provisions of the Temperance Act, even as amended, and that the people who live there can deal with the question as safely and securely to themselves and their interests as the people of Quebec, Ontario, or any other province of the Dominion; but with reference to this new territory, which is to be added to Manitoba, and in which we find so many Indians and white people, — and probably half-breeds as well — it was necessary to make it quite clear that the prohibitory liquor law should continue in force, and that it should not be in the power of Manitoba to alter it; but that it should rest as it is now, wholly within the control of the Parliament of the Dominion. I think that is done clearly by the clause of the Bill which I have added — and added to remove every doubt in consequence of that debate. It was suggested to me that it should be, though I considered it was tolerably clear in the Bill originally; however, the clause which I have drawn makes it perfectly so; and it will be seen that it is not intended that the effect of this Bill should be to give to the legislature of Manitoba any authority whatever to deal with the subjects which come within the purview of the powers of the Dominion Parliament. I have taken great care of that, and I think it is placed beyond a doubt. I was very uneasy lest there should be any danger on that point, and dreaded, if there was, that very great evils might ensue, and I believe that it is so worded now as to be perfectly secure. As regards that question, the country added to Manitoba will remain under the prohibitory liquor law until the Legislature of the Dominion sees fit to repeal it. As to Manitoba proper, they will deal with it the same as in other provinces of the Dominion, and subject to the amendment introduced in this House the other day by the hon. Senator from Halifax, should it become law.

Hon. Mr. SCOTT — I am glad to find that the hon. Postmaster General, on reflection, after the debate we had on the temperance question a few nights ago, has come to the conclusion to exclude the new territory added to Manitoba from the operation of the amendment made by the hon. Senator from Halifax to the Temperance Bill. I think it rather strengthens the argument I then used that if the health and lives of the people, Indians as well as white men, in that area were a subject of such earnest consideration that we should exempt them from the influences of the liquor traffic, the Government might have extended equal consideration to those people in other parts of the Dominion, who, by voluntary vote, desire to exclude the particular locality in which they live also, from that traffic. We have accomplished, at all events, some good. Coming more directly to the subject of the Bill before us, defining the boundaries of Manitoba, I think it is rather unfortunate that the Government did not, before introducing this measure, come to some conclusion with regard to the western boundary of Ontario. It is rather unfair to transfer to the Province of Manitoba the settlement of this vexed question which has been so long pending between the Governments of the Dominion and Ontario. The interpretation that the hon. gentleman gave to this statute was that it carried the boundaries of Manitoba eastward as far as the western boundary of Ontario. As I read this Bill, it carries the line as far to the east as the line laid down in the Act of 1876, establishing the eastern boundary of Keewatin. It does not come to an imaginary line, but to a fixed line.

Hon. Sir ALEX. CAMPBELL — It comes to an imaginary line.

Hon. Mr. SCOTT — The language is by no means clear. The boundaries are thus described: —

"The Province of Manitoba shall be increased as hereinafter defined, that is to say, so that the boundaries thereof shall be as follows: —'Commencing at the intersection of the International Boundary dividing Canada from the United States of America by the centre of the Road Allowance between the twenty-ninth and thirtieth ranges of townships lying west of the first principal meridian in the system of Dominion Land Surveys; thence northerly, following upon the said centre of the said road allowance as the same is or may hereafter be located, defining the said range line on the ground across Townships one to forty-six, both inclusive, to the intersection of the said centre of the said road allowance by the centre of the road allowance on the twelfth base line in the said system of Dominion Land Surveys; thence easterly along the said centre of the road allowance on the twelfth base line, following the same to its intersection by the easterly limit of the District of Keewatin, as defined by the Act thirty-ninth Victoria, Chapter twenty-one, that is to say, to a point where the said centre of the road allowance on the twelfth base line would be intersected by a line drawn due north from where the westerly boundary of the Province of Ontario intersects the aforesaid International Boundary Line dividing Canada from the United States of America; thence due south, following upon the said line to the International Boundary aforesaid; and thence westerly, following upon the said International Boundary Line dividing Canada from the United States of America, to the place of beginning,' and all the land embraced by the said description not now within the Province of Manitoba shall, from and after the passing of this Act, be added thereto, and the whole shall, from and after the said date, form and be the Province of Manitoba."

Hon. Sir ALEX. CAMPBELL — If the hon gentleman will look at the 30th line, he will see that it says that the eastern boundary shall be a line drawn due north from where the western boundary of Ontario intersects the international boundary line.

Hon. Mr. SCOTT — Yes; but the Bill assumes that up to the boundary of Keewatin, the Province of Ontario has no claim. The Dominion Government assume that the doubtful territory lies between a line drawn due north from the eastern point of Hunter's Island and Thunder Bay. Now, my opinion is that the territory of Ontario goes much further west than the conventional line, and this statute would be *ultra vires*, as it is at present, unless it was made perfectly clear that it was intended that Manitoba should come to the western boundary of Ontario, wherever that may be.

Hon. Sir ALEX. CAMPBELL — That is what the Bill says.

Hon. Mr. SCOTT — No; the hon. gentleman fixes it at a certain point, which is the same point that fixes the eastern boundary of Keewatin.

Hon. Sir ALEX. CAMPBELL — The western boundary of Ontario intersects the international boundary line at some point.

Hon. Mr. SCOTT — Yes.

Hon. Sir ALEX. CAMPBELL — Wherever that point is, a line drawn due north from it will be the eastern boundary of Manitoba. That is the only way that we could fix the boundary.

Hon. Mr. SCOTT — The hon. gentleman draws an arbitrary line here, not an imaginary line. He defines the line as laid down by the statute of 1876, and assumes that line is, for the present at all events, the western boundary of Ontario. That was simply a temporary conventional line, and not intended to be a permanent line in any sense. The preamble of the Act of 1876 says, "Whereas it is expedient pending the settlement of the western boundary of the Province of Ontario," etc., and then it describes the Territory of Keewatin as beginning at the westerly boundary of the Province of Ontario, on the international line dividing Canada from the United States of America, thence westerly, following the said international boundary line to the easterly boundary of the Province of Manitoba. Now, it will be observed by referring to to the 31st line of the Bill on the table, that the same language is followed in describing the easterly boundary of Manitoba. The words in the Bill are: —

> "To a point where the said centre of the road allowance on the twelfth base line would be intersected by a line drawn due north from where the westerly boundary of the Province of Ontario intersects the aforesaid international boundary line dividing Canada from the United States."

Now these are the same words that are used in describing the easterly boundary of Keewatin in the Act of 1876, and that line was, as explained in the preamble of the Bill, a temporary line pending the settlement of the boundary of Ontario. So it is clear that the point referred to in this Bill is not an imaginary point, but one and the same point where the easterly boundary of Keewatin commences under the Act of 1876, and as the Bill proposes to give all the land embraced within the area described in the first clause of the Bill, to the Province of Manitoba, which deals with the question in dispute, and as Ontario is not a consenting party, this legislation will be *ultra vires*. The Federal Parliament has no power, except with the consent of the Province affected, to disturb existing boundaries. I contend that the boundary of Ontario is where the Commissioners appointed in 1878 placed it. They did not base their conclusions on a convenient line, but they determined that the boundary defined by them was the true boundary as laid down in the several statutes and proclamations, and other authoritative documents which formed their guide in pursuing the inquiry. The arbitrators gave a judicial decision as to the true meaning of the statute defining the western boundary of the old Province of Quebec, in the light of several proclamations and official maps issued at that date, which latter papers aided them in arriving at the conclusions that they reported. The language used by the arbitrators was as follows: —

> "The undersigned, having been appointed by the Governments of Canada and Ontario, as arbitrators to determine the northerly and westerly boundaries of Ontario, do hereby determine and decide that the following shall be such boundaries, that is to say, commencing at a point, etc"

Now, that Act of 1876 has to be read in conjunction with certain Orders in Council, that have been passed by the Federal Government, and also by the Government of Ontario. This boundary question dates back a considerable period. In 1871 a correspondence began between the Governments of Ontario and the Dominion as to that line, with a view of fixing the boundary. Two gentlemen were named, Mr. Tache, of Quebec, for the Dominion, and Hon. Mr. Macdougall, for Ontario, to deal with the matter. Nothing came of that Commission. The instructions given to the Commissioner on behalf of the Dominion were very restricted. They assumed to fix the boundary on a line running due north from the junction of the Ohio and Mississippi Rivers. The Government of Ontario not acquiescing in that view, the Commissioners never reported. Mr. Macdougall did make a report in 1872, but no further action was taken. A change of Government took place in Ontario, and the correspondence continued. Commissioners were then named to agree upon a conventional line. The hon. gentleman who was then Secretary of State, on behalf of the Dominion, and myself as Commissioner of Crown Lands, on behalf of Ontario, were appointed Commissioners to agree upon a conventional line. I do not know whether we ever met.

Hon. Mr. AIKINS — We met.

Hon. Mr. SCOTT — And agreed upon the eastern end of Hunter's Island.

Hon. Mr. AIKINS — No, we did not agree to anything. The hon. gentleman wanted everything for Ontario, which I could not concede. We were not appointed even to decide on a conventional line, but we were appointed for the purpose of seeing if some understanding could not be come to in reference to the disposition of lands lying in the disputed territory. The eastern end of Hunter's Island was agreed upon subsequently, during the existence of the late Government.

Hon. Mr. SCOTT — I have here the official communication sent by the Hon. Mr. Howe, Secretary of State for the Provinces, in which he concludes as follows : —

> "I am also to urge upon the Government of Ontario the necessity, in view of the facts stated in the last paragraph of the accompanying memorandum, of arranging with the Government of the Dominion for some joint course of action as to the granting of land and of mining licenses, reservation of royalties, etc., in the portion of territory in controversy, and for this purpose I have to request you to move your Government to appoint a Commissioner to meet the hon. J. C. Aikins to arrange such joint system, on the understanding that any such arrangement, when ratified by the two Governments, shall be held to bind both, and shall be subject to the decision of the Judicial Committee of the Privy Council upon the question of the boundaries, and that after such decision, titles to lands or mining rights shall be confirmed by the Government, whether of Canada or Ontario, and shall, under the decision of the Privy Council, be the proper party to legalize the same."

An Order in Council was passed in 1874, by which Mr. Laird, the Minister of the Interior, was deputed to act for the Dominion. Mr. Pardee, Commissioner of Crown Lands, was deputed to act for Ontario, and they then agreed upon a conventional boundary or line, that is drawn upon the map, and which forms the easterly limit of the present Territory of Keewatin. It was in connection with that Order in Council that the Act of 1876 was passed. By referring to the preamble of that Act, hon. gentlemen will see that it was a purely temporary arrangement, and to last only until the settlement of the boundary. That line is laid down in this Act as the easterly limit of Manitoba, pending the settlement of the dispute between Ontario and the Dominion, and might under the award be found to be within the territory of Ontario. At that time Chief Justice Richards had been named with the late Mr. Wilmot, formerly Lieutenant Governor of New Brunswick, as Commissioners. However, owing to the death of the latter, nothing was done. In 1878 the settlement of the boundary between Ontario and the Dominion was referred to three arbitrators, the late Chief Justice Harrison, Sir Francis Hincks, and Sir Edward Thornton. After an exhaustive investigation, they reported that the true boundary of Ontario commences as far west as the Lake of the Woods. That boundary was accepted by Ontario, and was confirmed by an Act of the Legislature of that Province. It does seem to me extraordinary that the Dominion Government should ignore the true boundary as defined by this award, and that an arbitrary line very much further to the east should be set forth in this Bill as the eastern boundary of Manitoba. The effect of it is to create a dispute at once between two Provinces of the Dominion. In the first place the Federal Parliament has no power whatever to deal with the question of boundaries except with the consent of the provinces affected. It is only by virtue of an imperial statute that the boundaries of a province can be from time to time enlarged or diminished.

Hon. Sir ALEX. CAMPBELL — This Bill recites that we have the assent of the Legislature of Manitoba.

Hon. Mr. SCOTT — But not of Ontario.

Hon. Sir ALEX. CAMPBELL — It does not alter the boundary of Ontario.

Hon. Mr. SCOTT — It seems to me that if we intend to convey the idea that the easterly limit of Manitoba is to be the westerly limit of Ontario it would be better to say so in so many words. It does seem to me that the Government should have given some good and sufficient reason for refusing to accept the boundary award. Certainly, no gentlemen on this continent were better fitted to render a just decision than the three who were entrusted with this important inquiry. Sir Edward Thornton being an entirely disinterested party, representing imperial interests to some extent, Sir Francis Hincks representing the Government of the Dominion, with which he had long been connected, and Chief Justice Harrison, well qualified by his judicial mind and legal knowledge, to investigate this important question. It does seem to me that their award should have been acquiesced in, or some good reason given for rejecting it. Up to the present time we have heard no good reason for the position which the Government have assumed. There can be no doubt that the Government of the day had power to refer this question to arbitration. It never was supposed that this boundary was a matter of doubt. The Province of Ontario always had contended that the boundary was certain and fixed, and it was merely a question where it was. It depended entirely on the interpretation of certain statutes and proclamations that had been issued by the Crown of Great Britain. Wherever the western boundary of the old Province of Quebec was, there the western boundary of Ontario was, because as we all know, Ontario formed at one time a part of the ancient Province of Quebec. It was not a question to be arrived at on any basis of arrangement or conventional propositions either from the Province of Ontario or the Dominion, but a fixed fact that had to be gathered from the statutes and from royal proclamations, and it was on just such data that the Commissioners came to the conclusion that the line was as laid down in their award. That line is considerably to the westward of the easterly boundary of Keewatin. These are the reasons why I think it would be improper to pass this Bill in its present shape. If the hon. gentleman would recast it and make it perfectly clear that we are dealing only with the territory to the west of the boundary of Ontario, then that objection would be removed; but there would still remain the other objection that until this award has been accepted by the Dominion, it is unusual, to say the least, that this disputed territory should be handed over to Manitoba, and the conflict as to boundary continued between two provinces.

Hon. Sir ALEX. CAMPBELL — The reason why the present Government of the Dominion did not acquiesce in the award made by the gentlemen to whom my hon. friend has alluded was that we believed there was evidence both inside of the award and in the course of the inquiry, and outside of both, to show that those gentlemen did not pretend to fix the boundary line as established by the treaties, proclamations and statutes to which he has referred; but that they made what they thought a reasonable and convenient boundary line for the north and for the west of the Province of Ontario.

Hon. Mr. SCOTT — Oh no.

Hon. Sir ALEX. CAMPBELL — I am not disputing that point, but that is the reason why the Government of the Dominion did not accept that award. They believe, and think they have reason to believe, and have evidence to show, that those gentlemen did not go about their task with the view of ascertaining what was the true boundary line, but that they fixed a line which they themselves thought was a covenient limit. As to the other problem, I think the Bill is as plain as it can possibly be and that it cannot be justly exposed to the criticism which the hon. gentleman opposite has bestowed upon it. The problem is to define the line which shall constitute the eastern boundary line of Manitoba. I quite admit that if this Bill took anything away from the Province of Ontario it would be *ultra vires*, but I am perfectly sure that it does not by implication or in reality take an inch away from that Province. It does not deal with the boundary line of Ontario at all, and therefore the assent of Ontario was not necessary under the Imperial Act which the hon. gentleman read. In order to explain to the House why I do not think we touch the boundary of Ontario at all, I will try to show what the problem is. It is to fix the boundary line on the east of Manitoba. If you take the northern extremity there are no lines which intersect there, and consequently there is no starting point on the north. But on the south there is a starting point, and that point is where the boundary line of Ontario intersects the international boundary line of the United States. Supposing that it was where it is shown on that map, that would be the commencement of the boundary line which we fix for the eastern limit of Manitoba — a line produced due north from that point of intersection. Supposing that map is wrong and my hon. friend's contention is right and the true boundary line of Ontario is near the Lake of the Woods, it will still intersect the international boundary line of the United States, and a line produced due north from that point of intersection will be the easterly limit of Manitoba. The clause was not drawn by myself, and I can, therefore, express my opinion of its language without being egotistical. I think it is as clear as it possibly could be made. It was drawn by the Deputy Minister of the Interior and the Surveyor General, and it declares that this eastern boundary of Manitoba shall be a line drawn due north from this point where the western boundary of Ontario intersects the international boundary of the United States. Whether that point is near the Lake of the Woods or near Thunder Bay, whenever it shall be ascertained the eastern limit of Manitoba will be a line drawn due north from that point. I do not think there is any doubt about it at all. I have mentioned the reason why the Government did not acquiesce in the decision made by the arbitrators, but, supposing that decision was legal and that the Government will have to acquiesce in it, then the easterly limit of Manitoba will run due north from the point where that line intersects the international boundary. My hon. friend says there is some uncertainty thrown upon it by the fact that Keewatin had this boundary line arranged for it; but that, I think, does not in any way conflict with what is now proposed; the whole thing is, I think, left in as good and safe a state as it can possibly be, and does not interfere at all with the rights of Ontario. The hon. gentleman finds fault with the Government for throwing a dispute on Manitoba. I do not know that there is any particular burden thrown on that Province. The boundary line will have to be settled. It will be settled, I suppose, by some reference to the Judicial Committee of the Privy Council of England, or some other tribunal, but no particular burden will be thrown on Manitoba to procure a settlement. It will be for that Province to state whether it objects to the burden, but, on the contrary, this Bill recites very justly and truly that the Province of Manitoba assents to it. Of course, if I thought there was the uncertainty which the hon. gentleman finds in the Bill, I would be glad to meet his views, but I do not think there can be anything clearer than it is. Therefore, I do not suggest any change except to add the words I have already spoken of to subsection "A" of the second clause: "subject, however, to the provisions of section 3 of this Act."

Hon. Mr. SCOTT — Perhaps my hon. friend will allow me to explain with regard to the award of the arbitrators, which, he says, was a conventional line. I have just read what the arbitrators themselves said on the subject. The words certainly are very clear that they simply were interpreters of the statute and of documents bearing upon it which show where the boundary is. They say: "We determine the following are the western and northern boundaries of Ontario."

Hon. Mr. BOTSFORD — They may have made a mistake.

Hon. Mr. SCOTT — If they made a mistake it was not for want of a long and most exhaustive inquiry. They searched not only the archives at Washington, but also of the Imperial Government and of the Hudson Bay Company for all the information which could be found bearing on the question, so that I do not think it is quite fair to allege that those gentlemen undertook to decide a boundary of their own mere motion. They simply interpreted the documents laid before them, and stated where the boundary was. In the opinion of those who take the Ontario view there was no doubt at any time on the subject. They contend that it was perfectly clear. I know that the present distinguished leader of the Dominion Government entertains an entirely different view, but that is predicated largely on a judgment given in the celebrated DeReinhard case at Quebec, in 1816, in which the judge interpreted the word "northerly" in the statute to be a line drawn due north from the junction of the Ohio and Mississippi rivers, and that that was the western boundary of the Province of Quebec. A surveyor who was asked to define the meaning of the word "northerly" in its technical or professional sense, expressed the opinion that it did not necessarily mean a due north line, but the judge overruled his interpretation. The question before the judge, however, was one of jurisdiction, and the boundary was merely an incident. The judge decided that he had jurisdiction, because he interpreted "northerly" to mean due north. The prisoner was convicted and sentenced to be executed, but the case having been referred to the Imperial Government the sentence was not carried out, and the prisoner was set at liberty. It is, therefore, not unreasonable to conclude that the law officers in England were of opinion that the Court was mistaken as to the western boundary of Upper Canada. The confusion in this Bill arises from following the wording of the Act of 1876, which establishes as a conventional boundary a line drawn due north from the eastern end of Hunter's Island.

Hon. Mr. TRUDEL — The hon. gentleman seems to have dwelt largely upon the fact that this question has been decided on three or four different occasions, but the hon. gentleman has not mentioned what seems to me to be a very important fact; it is that during last session a Committee was appointed in the other House, which inquired into the matter and came to a very different conclusion from his own, and it is hardly possible to read that report without coming to the conclusion that the western boundary of Ontario is far from being the one advocated by the hon. gentleman. It seems to me that there is another very important reason for the Legislature to decide in favor of this line; it is to maintain the equilibrium of Confederation. Everybody will admit that to give such an extension to one of the provinces is not calculated to maintain harmony amongst the different provinces of the Confederation. The hon. gentleman from Ottawa alluded to the heavy burden imposed upon Manitoba of contending with Ontario for their line of division if the settlement of this disputed boundary were transferred from the Dominion to Manitoba. Is it the intention of the Government to leave the matter to be settled between Ontario and Manitoba, or is it understood that the Government of the Dominion will take upon themselves in the future to adopt such legislation as may be necessary to ascertain that line? I was under the impression that it was the intention of the Government to bring in a bill this session in order to decide that line. Would it not be better for the Government to reserve to itself the task of ascertaining that boundary?

Hon. Sir ALEX. CAMPBELL — We have no power to pass a bill to ascertain the line. The line is already fixed by treaties and proclamation and Royal Commissions, but its location is a matter of dispute which this Parliament cannot settle, and all we can do is to endeavor to get Ontario to agree to some tribunal by which it can be settled. No doubt the Government of the Dominion and the Dominion would assist the Province of Manitoba to get such a point settled, and I suppose we would take the chief responsibility, but as yet we have not considered that point at all.

Hon. Mr. TRUDEL — The tribunal might just as well be a committee of one of the Houses of Parliament.

Hon. Sir ALEX. CAMPBELL — Yes, if Ontario would agree.

Hon. Mr. TRUDEL — But does the Government contend that Parliament has no right to legislate on that point?

Hon. Sir ALEX. CAMPBELL — Yes.

Hon. Mr. TRUDEL — They have not power to make a declaratory law fixing the boundary ?

Hon. Sir ALEX. CAMPBELL — We cannot do that.

Hon. Mr. GIRARD — Before the Bill is referred to committee I wish to express my opinion of it. As far as I can see I am perfectly satisfied with the measure, and I look upon it as the beginning of our emancipation. Manitoba has been asking for this extension by petition and otherwise, and now we are naturally satisfied to see that the Government has decided to give us what we have been long asking for. It will be the beginning of the extension of our greatness before the world, because it will render it more easy to make laws for the peace and good government of that portion of the country. In a new country that is making such rapid progress as Manitoba and the North-West, good laws have a great deal to do with making it a desirable country for settlement. It seems to me that the limits of the enlarged Province are pretty well determined. On the east there will be some difficulty, as I look at the line indicated on the map as only an imaginary one at the present time, until the boundary is finally established between Ontario and Manitoba at some future day. I hope, however, that Manitoba will be exempt from the responsibility of establishing that line, because the new territory on the east will be more onerous than profitable to our Province. If there are any breaches of the law they are more likely to come from that part of the Province than from the west, where desperate efforts are being made every day to establish the liquor traffic, which is the cause of very great trouble in the district of Keewatin. I see that all the provisions of the law existing in Manitoba at present will extend to the enlarged Province. I am glad to see that the Government has retained that provision which gives to the North-West Territory all the benefits of a prohibitory liquor law that were established in its primary organization. It is an advantage, indeed, not only to the Indians, but to the white people who will settle in that territory, to be relieved from the liquor traffic. It has been so far a great benefit to that part of the North-West Territory and the district of Keewatin — and the greatest anxiety that was manifested by the people of the North-West when a portion of that territory was about to be added to Manitoba was the fear that they would be exposed to having the liquor traffic introduced into the enlarged Province. It was the only opposition to the proposed measure. When I see by the Bill that is now before us that we occupy the same position in this respect, we cannot but feel satisfied at the action of the Government, and have no fear for the future prosperity and development of that country. There is no doubt that Manitoba will be in future a great source of profit to the whole Dominion. At the present time the contribution of Manitoba to the public revenue is at least a quarter of a million of dollars. Without being a great prophet, I have no hesitation in saying that before five years our contribution to the public revenue will be at least half a million of dollars, and what are we to receive for all that ? Thus far the liberality of the Government has given us all we have asked for. We are now commencing our emancipation, and have revenue enough to sustain a prosperous province. No one who visits our Province will doubt our industry. We have done all in our power to settle and develop that Province, and I think before ten years Manitoba will have so developed in wealth and population that it would be entitled to rank amongst the most advanced provinces of the Dominion. I wish to draw the attention of the hon. Postmaster General to the last clause of this Bill. The law will come into existence only on proclamation of the Governor in Council. I thought the organization was complete once the law was passed. When our Legislature was sitting lately for the purpose of considering this question of the boundaries of the Province, and after having adopted the legislation necessary to place the Government of the Dominion in a position to present this Bill, upon which we will have before long to give our opinion, it was understood that on the first Monday of May next the Local Legislature will meet again to complete the organization that our enlarged Province will require. I say large province, and it is not without due consideration I use that word. Hitherto our limits have been very restricted, but now we have a territory twelve times as large as the present Province of Manitoba. Instead of having eight million acres of land, we will now have ninety-eight millions ; all that land will not be cultivable, but at least two-thirds of it will be fit for agriculture. The portion of the Province extending to the east will provide us with the wood and lumber so necessary for our prairie country ; so that, if we make the same progress in the next ten years that we have done in the past, we will be in a position to compare with any province of the Dominion in wealth, progress and prosperity.

Hon. Sir ALEX. CAMPBELL — The explanation of the last clause to which my hon. friend has drawn attention is this : we were ready to put the Act into operation immediately, but it is necessary for some steps to be taken by the Government of Manitoba before we can do so, as, for instance, there may be officers to be appointed, arrangements to be made about suits in progress, arrangements about the administration of affairs, the location of sheriffs, and things of that kind. We suppose that it might very likely be that there are some preliminary steps which the Executive Council of Manitoba should take before the transfer of that territory that is to be added to the Province, and it is only put in to give time to enable us to correspond with the Government of Manitoba — that correspondence is now going on, I believe — that they may be ready to take the new territory over the moment we are ready to give it. I desire to say, with reference to the Indian population, the figures which my hon. friend from New Brunswick had thought had not been carried into the general calculation were carried in — that the 1,179 were carried on to the next page and included in the 2,800, so that the Indian population of the Province will be 8,427, or something like that.

Hon. Mr. Girard.

Hon. Mr. SUTHERLAND — I am very happy to say that the Bill is in the direction I had wished to see it. I should certainly prefer that the Province should be extended both west, north, and further east. It may possibly be extended further east than we at present expect. As far as the western boundary is concerned, I am happy to see that it is now placed somewhat further west than it was at first anticipated, and I think it is a very great advantage. If I am correctly informed, there are a great many settlers out in that district, and I believe the present boundaries will include, at all events, the majority of the settlers in that district.

Hon. Sir ALEX. CAMPBELL — Yes, it includes all the Bertie settlement.

Hon. Mr. SUTHERLAND — Yes, I think it will, and therefore I think the Bill, on the whole, is very satisfactory, as far as the eastern boundary is concerned, and, as my hon. colleague has just now mentioned, it is of infinite advantage to us that we should have, at all events, a portion of the eastern, or wooded section, which is so essential to the settlers on the prairie section added; otherwise I think there are very few in our Province who would care a great deal about that territory, because it would add to the expense and responsibility of government more than any advantage we could derive from it. Still there is a good deal of timber there, and the market for that timber will necessarily be in the prairie region. It does seem to me somewhat singular that Ontario should claim this territory that is so far away from her centre, and so very near our provincial capital and our centre; the very material that is there we require, and I cannot think there are many individuals in Ontario who would press that question of the extreme western boundary. Be that as it may, however, as it is not pertinent to the question before us now, I shall not do more than mention one or two points that have already been spoken of. The hon. ex-Secretary of State said that there was never any doubt as to the western boundary of Ontario. I have frequently heard parties from Ontario say that the western boundary of this Province was somewhere in the vicinity of the Rocky

Mountains. If that is so, certainly there must have been some doubt about it, and I heard it from gentlemen who have sufficient historic education and sufficient knowledge to be able to express an opinion on the subject. I do not think it would be very generous on the part of Ontario, having so many ports on the lakes, if she should deny us one port on Lake Superior. I might say a great deal more on this subject, but I shall content myself with these few remarks. I think the Bill will give general satisfaction to the people of our Province, and it shall have my support.

Hon. Mr. WARK — I think it is to be regretted that the boundary of Ontario was not settled before this Bill was introduced. It is a pity almost to throw the small Province of Manitoba into collision with Ontario. There is one reason, specially, why I think it ought to be settled. No doubt the Province of Manitoba, enlarged in this way, must have a larger subsidy, as we will throw all the expense of preserving order in the new territory on that Province, which will be found to be a heavy burden on the small income it at present possesses. If we had known the size of the territory that was actually to be transferred to Manitoba, it would have enabled Parliament to decide what additional remuneration or subsidy they ought to have, in order to take over this territory. The future representation of the Province will be in proportion to its population. But there is another question that ought to be settled, and that is the question of subsidy. It ought to have been understood between the Province of Manitoba and the Dominion what point the population should reach beyond which they should receive no subsidy. In the Maritime Provinces, when the population extends beyond 400,000 there is to be no additional subsidy. That is a question which, I think, ought to be settled between the Government of Manitoba and the Dominion Government before this legislation takes place. There is another point to which I wish to call the attention of the Postmaster General. It is this: the new section *a* provides that : —

> "All laws and ordinances in in force the territory hereby added to the Province of Manitoba, at the time of the coming into force of this Act, and all courts of civil and criminal jurisdiction, and all legal commissions, powers and authorities, and all officers, judicial, admistrative and ministerial, existing therein at the time of the coming into force of this Act, shall continue therein as if such territory had not been added to the said Province."

Now, if the amendment to the Scott Act, which this House passed a few evenings ago, should unfortunately pass the other House, as I hope it will not, and receive His Excellency's assent, it will go into operation immediately on receiving that assent.

Hon. Sir ALEX. CAMPBELL — Not in this territory if this Bill passes.

Hon. Mr. WARK — This Act will not come into operation until the proclamation is issued. Will not the law be in force then all over the Province?

Hon. Sir ALEX. CAMPBELL — There is just a little point there. It will only be a few days, at all events, because we propose to put the Act into force as soon as the Government of Manitoba has made the necessarry arrangements. In the meantime the precautions which we propose to take by this Act will be taken.

Hon. Mr. REESOR — I understood the hon. the Postmaster General to say, in explaining the Bill, that, if the line designated in the measure was not the dividing line proper between the North-West Territory — or Manitoba — and Ontario, then it would have no force.

Hon. Sir ALEX. CAMPBELL — No; I did not say that at all. What I said was this : that it did not define the boundary line, but wherever the western boundary line of Ontario would be that would be the boundary line of Manitoba.

Hon. Mr. REESOR — From the reading of the Bill I inferred that, starting from the international boundary — where the western limit of Ontario intersects the boundary line — you propose by this Bill that the line then shall be a line due north. That differs widely from the decision of the arbitrators to whom the question was referred to define the western boundary of Ontario. Suppose hat in the future the result of a contest between Ontario and the Dominion Government, or between Ontario and Manitoba, should be the settling of the western boundary of Ontario according to the award of the arbitrators, it would bring the award into conflict with the western boundary of Ontario as fixed by this Bill. So that if the Bill only provided that the western limit of Ontario, wherever that might be, throughout from the international boundary line northward, should be the eastern limit of Manitoba, then there could be no difficulty, for in that case, should the arbitrators' award be ultimately determined, it would follow that that boundary, which goes by the Lake of the Woods, thence to English River, and thence by the Albany River to Hudson Bay, would become the true boundary. On the other hand, if the object of this legislation is to take a part of Ontario and add it to Manitoba, it will certainly lead to an unpleasant conflict. I say, if the Province of Manitoba goes to Fort William, then it ought to go a little further east for the sake of convenience, both to Manitoba and Ontario. But if it is to be left in an indefinite way, in so far as the point of starting from the international boundary is concerned, then there ought not to be a subject left open for conflict between the two provinces as to whether that line should go straight north from the international boundary, or whether it should follow the Lake of the Woods and English River, as laid down by the arbitrators. I think it is desirable, as far as practicable, without interfering with the rights of the Province of Ontario, that the boundary line of Manitoba should be extended eastward. It is desirable to give Manitoba as much of the timber country as we can add to it without interfering with the rights that may be fairly and definitely claimed by Ontario; and, if any alteration of the eastern boundary of Manitoba should be required in order to give more timber country to that Province, let that be effected by fair and honorable negotiation.

Hon. Mr. AIKINS — I am quite at a loss to understand why the award question has been dragged into this discussion by the hon. member from Ottawa. The present measure does not pretend to say where the western boundary of Ontario is, or where the easterly boundary of Manitoba would be, any further than to say that the eastern boundary of Manitoba shall come down to the western boundary of Ontario.

Hon. Mr. SCOTT — If it said that, it would be satisfactory.

Hon. Mr. AIKINS — We find on the southern boundary between the United States and Canada the point of starting is the intersection of the line between the Province of Ontario and the territory lying west. The Act of 1876 says, in order to describe the territory or district of Keewatin, "beginning at the western boundary of Ontario on the international boundary." This is precisely the same provision that you find in this Bill, and more than that, the Act passed in 1876 makes this provision that that line is to run due north. Now, that is all this Bill says.

Hon. Mr. SCOTT — That is where I think the error is.

Hon. Mr. AIKINS — Where is the error ?

Hon. Mr. SCOTT — The error is in assuming that the eastern boundary of Keewatin is the true line.

Hon. Mr. AIKINS — The hon. gentleman was a party to that assumption.

Hon. Mr. SCOTT — It is only a conventional bounday, as the preamble to the Act states.

Hon. Mr. AIKINS — Wherever the true line is the easterly boundary of Manitoba goes no further. I have no doubt if the few words in reference to the District of Keewatin were left out, it would not be so confusing to the hon. gentleman. But the Act passed in 1876 points out where the line is to commence. I am at a loss to understand why the hon. gentleman should have attempted to make so much out of this where there is little or nothing, and why the award should be dragged into this debate when we are not discussing the award. I think the Commissioners were not clothed with the powers to go as far as they did in making a convenient boundary rather than determining where the true boundary was. We could not say they were right in doing what they were not appointed to do, since we had no power, and the Government of Ontario had no power, to clothe them with the authority to make a convenient boundary.

Hon. Mr. SCOTT — I will just explain why I consider the subject of this award and boundary so important an element. It is for this reason: that hereafter in that territory between Lake Superior and Lake of the Woods, or rather between the easterly Keewatin line and Lake of the Woods, it would be a matter of contention between Ontario and Manitoba as to which province has civil jurisdiction. As to criminal jurisdiction, that is provided for in the statute, because I see provision is made that criminals may be tried either by a judge in Ontario or in Manitoba; but, as far as civil jurisdiction is concerned, there will be a conflict at once, as Ontario will not accept this statute.

Hon. Mr. AIKINS — There is a conflict now.

Hon. Mr. SCOTT — But there is an understanding between the two parties. Is Manitoba to carry on this conflict with Ontario in the future, or will it rest with the Dominion Government? That is why I contend that this award enters into the discussion with reference to this Bill, because you will transfer to Manitoba the settlement of this frontier, instead of settling it before extending the boundaries of Manitoba in the east, into this disputed territory.

The motion was agreed to, and the House went into Committee on the Bill.

Hon. Mr. BELLEROSE, from the Committee, reported the Bill with an amendment.

The report was received, and the amendment was concurred in.

Hon. Sir ALEX. CAMPBELL moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

THE SILVER PLUME MINING COMPANY BILL DEFEATED.

Hon. Mr. VIDAL moved the adoption of the report of the Select Committee on Standing Orders and Private Bills on Bill (35) "An Act to incorporate the Silver Plume Mining Company." He said: It is somewhat unusual for a Committee on Private Bills to present a report of this kind; it would be well, perhaps, to give the substance of it. The Committee reports with reference to this Bill that the preamble has not been proved to their satisfaction; the balance of the evidence given before them being, in their opinion, contrary to its statements; and that it was proved to the Committee that an action at the suit of the Crown against the petitioners for this Bill for acting illegally as a corporation, under the name of the "Silver Plume Mining Company," is pending in the Superior Court at Montreal, which action might be affected by the passing of this Bill. It is scarcely necessary for me to say more than that the Committee took a great deal of pains to ascertain the true character of this Bill before agreeing to this report. They heard the parties on both sides — the promoters of the Bill, and the petitioners against it.

Hon. Mr. BELLEROSE — I regret that I have to protest against this report. I waited until I would see the report and ascertain the wording of it, and had the wording been different from what it is, I would have submitted to it, but as it now stands I cannot do so. This report is not according to the facts, and it is my duty to say that this hon. House ought not to accept it, because it does not relate the facts as they are. It states "That the preamble of the Bill has not been proved to the satisfaction of the Committee, the balance of the evidence given before them being, in their opinion, contrary to its statements." I may say that no evidence at all has been heard; on the contrary, the fact is that a gentleman from Montreal having appeared before the Committee to oppose the Bill, and he having made a serious charge against some of the petitioners, the latter at once offered to furnish all necessary evidence if the Committee would postpone the consideration of the Bill until the following day. When it is known that the parties asking for incorporation are such men as P. A. A. Dorion, Theod. Doucet, Jos. Oct. Charlebois, Adolphe Masson, etc., hon. gentlemen will no doubt regret that such a report has been laid before them for adoption. And, when this hon. House is now asked to concur in the said report, am I not in duty bound to call the attention of hon. members to the facts, and show them that the report is false ?

Hon. Gentlemen — Order ! Order.

Hon. Mr. BELLEROSE — I withdraw the expression "false," but I repeat that the report is quite contrary to the facts ; let hon. gentlemen call it what they like, it matters very little. No hon. member who sat on the Committee can deny that the statements I make here are the facts. I do not say that the proof offered would have been sufficient. But what I do say is that, if the Committee had allowed the Bill to stand until the following day, they would have shown how they understood British fair play. But the Committee obstinately refused to do so. The second reason given in the report of the Committee is because there is a suit pending, and it was stated that something wrong had been done, that some outside parties have been cheated. I do not deny that that may be true, but the Committee had no evidence adduced before it that such was the case, except a document signed by the prothonotaries of the Superior Court sitting in Montreal, showing that there was before that Court the case of the Attorney General of Quebec, against P. A. A. Dorion *et al.* Now, to put such a statement in the public documents of this House, as the second clause of this report, is a thing that I cannot stand here and approve of. Suppose the allegations are true ; and suppose there is a case in the Superior Court at Montreal between the contesting parties. I ask how this Bill could influence that case when it is provided, and it has been at the instance of the parties who are sueing in the Superior Court at Montreal, and who are here opposing the charter asked for, that the parties would not suffer by this act of incorporation, as their rights were reserved. But here, again, has not the Committee shown some preference, to say the least, for the opponents of the Bill ? If they honestly desired that no action of theirs might affect the pending case in Montreal, how is it that they have added to their report such a paragraph as the second, which evidently might prejudice the Court against the petitioners for incorporation, who are the defendents in the above mentioned suit? I am not surprised that the hon. chairman of the Committee began his remarks by stating it was rather an unusual report for the Committee to make. It is unusual ; I have not seen the like of it during my whole parliamentary life, and it is the first time that I have been forced to say a report was contrary to the facts. The remedy would be to move that the report be not received, or that it be referred back to the Committee ; but I suppose the House will stand by the Committee, and that the parties seeking incorporation, as well as myself, must submit to our fate. At all events, my protest will be recorded, and if the House shows a dispostion to deal with this question according to its merits I will be ready to move in the direction suggested.

Hon. Mr. VIDAL — I think the hon. gentleman has made a great mistake in saying that this House would not rectify a wrong which was clearly made known to it, even if it were done by one of its Committees. I am persuaded that if this House was satisfied that one of its Committees through error of judgment, or wilfully made a report not consistent with facts, it would be dealt with in such a way as to show that the Senate would not sanction such injustice. I differ entirely from the hon. gentleman who charges that this report from the Private Bills Committee is not consistent with the facts. It is a very serious charge to make. Can any hon. gentleman suppose that any motive will influence a Committee of this House to make a report that could be shown to be untrue ? The hon. gentleman does not even modify his statement by allowing that there might have been a misrepresentation of the facts or a mistake in judgment, but he makes the direct and unmistakable charge that the Committee has knowingly made a false report, a charge that should not be made against any committee of this House. Are not the members of this Committee known to be gentlemen of character — gentlemen who would not stoop to a dishonorable act of this kind? I can assure the House that the Committee examined into this matter most patiently and impartially, and there was no disposition to do a wrong to any parties connected with the Bill. They did not take evidence on oath, but I contend they took sufficient evidence to guide them in their disposal of this matter. They heard at great length the parties promoting this Bill, and they heard at equal length the parties who contended that this Bill should not be granted by Parliament, and who showed by reasons satisfactory to the Committee that the Bill should not receive its sanction. It is unnecessary to go into the details of evidence that led the Committee to make this report, and I think hon. gentlemen will sustain my motion to adopt it when I say that it is strictly in accordance with the sentiments of the majority of the Committee, as expressed by the vote that was taken. The Committee did not consider it necessary to mention any other fact than that a case was before the Superior Court of Montreal, an action against the promoters of this Bill, not for stealing or robbing individuals of any sums of money, but for the plain and open charge of fraud in connection with every step that has been taken by the accused in this matter, and the objectors to the Bill made their case so plain that they satisfied the Committee that this was not a Bill that could be recommended for adoption by this House.

Hon. Mr. MILLER — I am not a member of the Private Bills Committee, and I am not, perhaps, sufficiently conversant with the facts of this case to enable me to speak with any confidence with regard to it; but I cannot agree with the Chairman of that Committee in some of the positions he has taken. In the first place, I think the report itself is somewhat extraordinary. I think it would have been sufficient to have reported that the preamble of the Bill is not proved, as set forth in the first clause of the report.

Hon. Mr. VIDAL — I consulted authorities in this matter, and it was found that, while in the House of Lords it was the practice to report the preamble not proved without assigning any reason, by the rules of the Canadian Parliament the Committee must assign a reason.

Hon. Mr. MILLER — Then I am to understand that the only reason assigned for reporting the preamble not proved is that there is litigation pending?

Hon. Mr. VIDAL — No; that the evidence was not sufficient to prove the preamble.

Hon. Mr. MILLER — If the practice be as my hon. friend says, it must then be that the preamble was not proved because of the reasons contained in the second clause of the report. He is precluded by his own contention from going behind what is contained in the second clause of the report. At any rate, I think it is rather a serious matter to place this report on the journals of the House and adopt it in the way it now stands, because it is calculated, perhaps very unjustly, to do an injury to the parties who are interested. I will suppose a case. I will suppose that litigation has been commenced purposely to prevent the parties entitled to an act of incorporation from getting it. Should the existence of such litigation have that effect? I do not think it should; and if there was any doubt as to *bona fide* litigation existing with reference to the subject of this Act of Incorporation, there would be no difficulty in providing that it should not affect those suits. If I had been a member of the Committee, it is the course I would have recommended; but I do not think the bare fact of litigation pending ought to be sufficient to justify the rejection of the Bill, because that litigation may be frivolous and vexatious. The Private Bills Committee does not sit as a court to take evidence in such cases under oath, and consequently they might be very easily led astray. I do not take any interest in the question, but it strikes me that the report should not be let go as it is.

Hon. Sir ALEX. CAMPBELL — I do not see that the language of the report can do any injustice to the parties engaged in the litigation; it only says that the litigation is pending, and that it might possibly be affected by the passing of the Bill. It cannot, I think, prejudice the parties to the litigation. But this is not the only reason given. The Committe say that the preamble is not proved, and the Chairman is right in saying that the rules of the House require them to state the reason of it. It seems to me that they have done their duty, according to the rule of the House, and that their report should be sustained.

Hon. Mr. BELLEROSE — I am happy to have heard the Chairman of the Committee take the position he has taken, because he has furnished this hon. House the best proof that my statements were true. The hon. gentlemen has not been able to establish that any good evidence had been given before the Committee to justify the course adopted by them. I challenge any gentlemen to show that there was anything in the shape of evidence given before the Committee; therefore, I say it ought not to be stated in the report that the preamble was not proved by the evidence given. If the suit now pending can be interfered with by the Act of Incorporation, this report, which is a public report of the Senate, if adopted, may more injuriously affect the defendants in the suit than the Act of Incorporation, if it had been granted, could have injuriously affected the other party; because the Bill provides that the Act of Incorporation shall not interfere with the lawsuit. I would ask that the report be not adopted, or, in case this House should come to the conclusion that they ought not to refuse their concurrence, that it be amended, at all events, by striking out the second part of it. Hon. gentlemen will see that I am ready to meet my fate, and this House ought not to do anything that would interfere with the rights of the promoters of the Bill.

Hon. Mr. TRUDEL — I had occasion, as a member of the Committee, to vote for the motion of the hon. member for De Lanaudiere, to postpone the matter until next day, but unfortunately another Committee was sitting at the same time, and I did not hear the whole discussion on this Bill; but what I understood, and what seems to me of great importance, is this: It has been told that frauds had been proved before the Committee. I consider it is a serious accusation, and, as I happen to know some of the parties interested in this Bill as men of the highest respectability, I consider such an accusation of a very serious character.

Hon. Sir ALEX. CAMPBELL — There is nothing about that in this report.

Hon. Mr. TRUDEL — But it has been spoken of, and it was freely circulated amongst the members of the Committee, and amongst the members of the House. It has even been stated here in the House that frauds have been proved, that a law suit was pending on account of very heavy frauds having been committed by members of this Company. I think it may seriously affect the parties.

Hon. Sir ALEX. CAMPBELL — It was not stated that fraud had been proved, but that fraud had been asserted.

Hon. Mr. TRUDEL — Hon. gentlemen will remember that this Bill was before the Private Bills Committee of the House of Commons. It was reported to the House of Commons without any objection, and passed, and everybody knows that when a Bill comes from the other House before our Committee it does not happen once in ten cases that the parties are here, especially when they have no reason to suspect that such charges as this are likely to be brought against them before our Committee. I am told that the party who was heard before this Committee was the promoter of the suit in question that is against one of the members of this Company, who, as far as I am told, having sold stock to that gentleman, is accused of having made a fraudulent sale by representing the stock of the Company as being of greater value than it is. There is litigation between these two men, and at the last moment one of them comes here and constitutes himself a witness against the other. The promoter of the Bill, not expecting that such evidence was to be offered, was not prepared for it, but he said, "Let the Bill stand until to-morrow, and I will telegraph to Montreal and have abundant evidence to prove to the contrary." This application was refused. I know some of the parties. I know the party who is said to have given his evidence against this Bill, and I know some of the men whose names are in the Bill, and I do not hesitate to say, knowing the character of those men, that, if anybody were to go to Montreal and say that Mr. So-and-so has been confronted with Mr. So-and-so, and that, on the evidence of Mr. So-and-so, the other party has been guilty of fraud, the party who would say so would be laughed at. There is no comparison between the standing of at least one gentleman whose name is in this Bill and some others. I have nothing to say against the character of any of them. I believe them all to be respectable men, but I know how parties are apt to speak of each other when they are at law. There is another feature of the case: the Committee divided almost equally on the motion to postpone the consideration of the Bill until next day to give the parties an opportunity to bring evidence, and all the members of the Committee from the Province where the parties lived except one voted one way, that is, for the postponement, and all the other members voted the other way. The position taken towards these parties seeking this Act of Incorporation, especially when an accusation of fraud had been brought against them, and they were refused an opportunity to justify themselves, I think is rather arbitrary.

Hon. Mr. MILLER — Perhaps it would be very easy to get out of this difficulty in a way satisfactory to all parties. I think the first clause of the report fully meets all the requirements of the rules of the House. It says that the preamble of the Bill has not been proved to the satisfaction of the Committee, and the reason is given that the balance of evidence given before the Committee being, in their opinion, contrary to its statements. That is quite sufficient, and the balance of the report might be struck out, with the consent of the whole House, although not the most regular way of mending the matter. I am sure the hon. gentleman who is Chairman of the Committee has no object except to discharge the duties of his position properly, and if he would consent to strike out the second clause, and allow the report to stand in that way, it would, perhaps, meet the objection.

Hon. Mr. VIDAL — I thank the hon. gentleman for the suggestion, and, as far as I am concerned, I am willing that it be struck out if the House will consent to it.

Hon. Mr. BOTSFORD — The principal reason for objecting to this Bill was the evidence and statements made by the parties who were wishing to get this Act of Incorporation showing that the statement in the premable was not correct, that is, that there was not a million of dollars paid up. It was not pretended that it was paid up. Therefore it was that the resolution was adopted that the preamble is not proved.

Hon. Mr. BELLEROSE — There is no use in trying to evade the question as it is. The matter stands as the hon. member from De Salaberry says — Mr. Lighthall against the other parties. Mr. Lighthall came there to oppose the Bill, and charged one of the petitioners, Mr. Dorion, with having cheated him, and spoke of the amount, and spoke about the million dollars. To that the petitioners, by their Solicitor, answered that if they were given twenty-four hours they would refute all the statements of Mr. Lighthall. A majority of the Committee refused, and made the report which is now before the House.

The report, as amended, was adopted.

BILLS INTRODUCED.

Bill (78) "An Act to amend the Act 40 Vic. Chap. 2, intituled 'An Act to amend and Consolidate the Acts Respecting the Customs.'" — (Mr. Aikins).

Bill (83) "An Act further to amend an Act respecting certain Savings Banks in the Provinces of Ontario and Quebec, and to continue for a limited time the charters of certain banks to which the said Act applies." — (Sir Alex. Campbell).

Bill (31) "An Act to enlarge and extend the powers of the Credit Foncier Franco-Canadien." — (Mr. Gibbs).

Bill (32) "An Act to incorporate the Credit Foncier of Canada." — (Mr. Vidal).

FIRST AND SECOND READINGS.

Bill (18) "An Act to amend the Act incorporating the Souris and Rocky Mountain Railway Company."

Hon. Mr. VIDAL moved the suspension of the 41st rule in so far as it relates to this Bill, and that the Bill be read the second time presently.

The motion was agreed to.

Bill (41) "An Act to incorporate the Hull Mines Railway Company."

Hon. Mr. SCOTT moved the suspension of the 41st rule in so far as it relates to this Bill, and that the Bill be read the second time.

Hon. Sir ALEX. CAMPBELL said he had no objection, if it were understood that hon. gentlemen were at liberty to take such course as they please at a future stage of the Bill, and that explanations should be made on the third reading.

The motion was agreed to.

The Senate adjourned at 6.15 p.m.

THE SENATE.

Monday, March 14th 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

THIRD READINGS

The following Bills reported from Standing Committees were read the third time and passed.

Bill (15) "An Act to incorporate the Metropolitan Insurance Company of Canada." — (Mr. Vidal).

Bill (59) "An Act to incorporate the Moncton Harbor Improvement Company." — (Mr. McClelan.)

Bill (41) "An Act to incorporate the Hull Mines Railway Company." — (Mr. Scott.)

Bill (18) "An Act to amend the Act incorporating the Souris & Rocky Mountains Railway Company." — (Mr. Vidal.)

DON RIVER IMPROVEMENT COMPANY'S BILL.

BILL WITHDRAWN.

Hon. Mr. DICKEY, from the Committee of Railways, Telegraphs and Harbors, reported that the promoters of the Bill, "An Act to incorporate the Don River Improvement Company," desired to withdraw it.

Hon. Mr. SCOTT moved that the report of the Committee be concurred in, and the fees be refunded to the promoters of the Bill, less the actual cost of printing.

The motion was agreed to.

ST. JOHN RIVER RAILWAY BRIDGE.

MOTION.

Hon. Mr. DEVER moved:—

> "That an humble Address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House copies of all correspondence between the Government of Canada and any parties interested, or offering to construct a bridge across the falls of the St. John River, St. John, N.B."

The motion which I have placed before you to-day is one bearing on the bridge at the City of St. John, as well as a small piece of railway connecting with that bridge, which would make a union between the terminus of the Intercolonial Railway at St. John and the railway known as the Western Extension, on the western side of the River St. John. Our railway system at St. John at present is very complete, with the exception of about a mile or a mile and a quarter of road which is not yet constructed, from the terminus of the Intercolonial Railway at St. John and the road known as the Western Extension. It has been a matter under consideration for a long time, whether the Government of Canada should construct this short piece of road, or whether it should be allowed to remain until private enterprise would take hold of it and make the connection. I have had occasion to bring this matter before the House three or four times during the last few years. I brought it up frequently during the term of the former Government, and in justice to the late Government I feel it my duty to bring it now before the present Government. Like a good many others, I feel that the Intercolonial Railway terminating at St. John, and having no connection with the great system of railways of the United States, is placed in a position to somewhat lessen the traffic of that road. We feel that if the Intercolonial Railway were connected by this short road a good amount of traffic would be created between the United States and St. John, and ultimately with Halifax. I know that there are two hundred miles of railway owned by the Government at present between St. John and Halifax, and if the traffic could be encouraged along those two hundred miles of railway it would be of great advantage to the Government.

Hon. Mr. McLELAN — Two hundred and seventy miles.

Hon. Mr. DEVER — My hon. friend says two hundred and seventy miles. We know that if traffic could be encouraged on that road it would be the means of lightening the burdens of the people of this country. This traffic could be encouraged by the construction of this bridge and this short piece of road at St. John. A great number of the supporters of the present Administration feel that it is due to them that something should be done in this direction. Previous to the last election campaign, all must admit very plainly that a great many inducements were held out to the people of that community, and very extensive promises were made that the change of Government would certainly be beneficial in many ways, and that St. John would have no cause of complaint. I cannot say that these promises have been completely broken, but I must submit that no great public expenditure — no great public notice — has been taken of St. John since the change of Government took place. I am quite conscious, too, that the City of St. John and the Province of New Brunswick have been put to additional expense in the way of duties and the loss of trade, because we find that we have got up to an average of 33 per cent. upon all the dutiable goods entered for consumption in 1880, as against 27 or 28 per cent. on the same basis in 1877, and, this being the case, it is proper that the people submitting to this additional expense — to be spent in the North-West — should receive some consideration as a *quid pro quo.* I see by the newspapers from St. John that a private Company is contemplating the undertaking of the construction of this bridge, and possibly of the intervening piece of road. I do not, for one, concede that it would be desirable that this work should fall into the hands of a private company. I think that, the Government owning so much property at St. John, and being desirous to control the working and action of their great road through that Province and the Province of Nova Scotia, no intermediate link that might be a barrier to the free intercourse along that road, should be permitted. I also think that the Government of Canada have a direct interest in this bridge, as it is a scheme to span a navigable river. Therefore I hold it is time that the people of St. John should know whether the Government of Canada are taking seriously into consideration the desirability of building this bridge as a public work. It cannot be denied that St. John is not in a very prosperous condition at present. I admit freely that the great fire of a few years ago had a great deal to do with this state of affairs, but, even though the effects of the fire have to a considerable extent been overcome, I see by the newspapers that in so short a period as from 1878 to 1880 the voting strength of that City has decreased some 618 votes. And these were not voters merely for civic purposes, but voters for the legislatures of Canada. Now, I think it is but fair, seeing that we have suffered considerably by the change in our trade relations, and the fact that our public works there are not as beneficial as they might be made, we should expect the Government of Canada to take hold of this work. It is but a trifle in the hands of the Government. The whole amount would not possibly be more than $1,000,000, but if it be undertaken by a private company, who might possibly linger at it, and have to contend with many difficulties, they might be an obstruction by and by, at a time when we could not help ourselves. I think it is the duty of every thinking man to point out that now is the time to control this matter, and place it beyond the possibility of difficulties that may hereafter be very annoying. I feel very anxious about this, because I see that two party newspapers are divided on this question. I am anxious to agree with the present Administration, but I admit freely that I cannot take the dictum of the writer or writers of the Government paper in St. John as indicating a proper spirit on the part of the Government. I do not know by whom those articles are inspired, or whether the writer is acting upon his own responsibility or not in taking the line that the Government of Canada had better not touch this matter, that it would be better done by private enterprise. He argues that a private company would give better and cheaper facilities for the transport of traffic, and, as the Government of Canada are now about to construct large works in the shape of sheds, railroad depots, etc., at that City, that nothing more can be expected of them. I cannot see it in that light. The Government have a large property at St. John, and it is their duty, as representatives and protectors of that property, to build depots and sheds for their own accomodation. That is nothing more than any private company would do. It is nothing more than any common carriers would do to protect their own property it necessary, and I do not see that the people in St. John have any right whatever to feel grateful about that. If the House will bear with me for a moment, I will read some of the opinions of the press of St. John on this subject. The writers are both men of intelligence, who are specially calculated to impress their ideas very largely on the country. The one who is in opposition to the construction of the work by the Government writes as follows : —

> "The special railway interest of the Government in the connection is not sufficient to justify the Government in building the bridge. The Intercolonial is only one of a number of railways interested in the scheme ; and hence, while the Government would be acting fairly in contributing to the maintenance of the undertaking by a subsidy it would not be supported by the public or by Parliament in shouldering alone responsibilities which should be shared by private roads. It may also be fairly held that, looked at from a St. John point of view, it is better that private means should make this important and costly connection. The undertaking in private hands will bring in, say, $800,000 of outside capital. This will not shut our city and port out of other expenditures by the Dominion Government, such as proper stations, buildings, and warehouses, elevators, and other necessaries of a well equipped railroad. But if the bridge were built by means of a large grant of Dominion money, there would of course be strong opposition in Parliament and the Dominion generally to granting St. John free appropriations for those other needed expenditures. Let us have the bridge and its connections built by the private means which offer, while we look to the Government to deal liberally with St. John in the matter of station, warehouse and shipping accommodation. It is not well to call on the Government to help us in matters where private enterprise stands ready to assist; we should rather limit our demands on the Government to such matters as private enterprise is not likely to supply."

I trust these views are not held or inspired by the Government, but rather would hope that the following views — expressed by another paper in St. John — will be held by them as being more in accord with the true interests not only of St. John, but also the people of this country, and Government, too, in my opinion :—

> "While a conflict is going on as to the site of the proposed bridge across the mouth of the St. John, there is another question of greater importance which ought to engage attention, and that is as to the party by whom the connection between the Intercolonial Railroad and the railroads west of St John should be made. The public interest in this case should be the supreme law. Can there be any doubt as to what the general interest is? The owner of the Intercolonial Railroad — that is, the Government of Canada — should unquestionably supply the missing link, securing at the same time the fair and equitable use of the bridge by railroads west of the St. John, who would speedily arrange to make their connections with it. The Dominion Government own and control a noble line of road. If any single line of railroad is interested in a connection with other railroads, much more is the Intercolonial. The territory over which the connecting link should extend is clearly defined by great natural boundaries. The Dominion Government alone should control that extension, in the interest of the general trade and commerce of the country, and in the particular interest of the commerce of this port. The Government of Canada, and their Railway Committee, must be satisfied as to the location of a great bridge across a great river. They are the general guardians of navigation. They have in their possession all the nautical and engineering information which exists applicable to the case, and, if additional information be wanted, they can send proper engineers to obtain it. It being necessary, ultimately, to satisfy them as to the site

> selected, the character of the structure proposed, the mutual arrangements made as to the proportion in which the different railway interests shall contribute to the work, why not go a step further, and assume its entire control, making a fair arrangement with all other roads? Again, agreeing with those who think a railway bridge desirable in the interests of trade and commerce, while at the same time the navigation of our great waterway must be protected, we cannot but conclude that, when the work is commenced, it should be put through with as little delay as possible. We have bright hopes for St. John in connection with the extension of the New Brunswick Railway to the St. Lawrence, and also with the completion of the Megantic line. We wish to see as many railways come into our city and Portland as possible, and to afford all reasonable facilities to them for doing so. The Dominion Government could put through the bridge and its eastern connection with the Intercolonial Railway with the greatest promptness, and could make the most equitable arrangements for the taking of land and the consideration of all interests that might be affected by the location and erection of the bridge. A panic, even a stringency in the money market, might embarrass even a company, and either cause delay or induce it altogether to surrender a project on which it had embarked, but it is needless to say that the Dominion Government would not be likely to experience any embarrassment of that kind; the less so, as the work undertaken would be sure to add considerably to the revenues of the Intercolonial Railway. The link in question, in private hands, subject to change in their *personnel*, and even in their nationality, might make heavy demands on all who have occasion to use it, but no fears on that head could reasonably be entertained if that work formed part of the Government railroad, and its befitting completion. When Halifax wanted the Intercolonial carried as far as possible into the heart of the city and a noble terminus erected, the work was done. The business of the road is to be further stimulated by the erection of a grain elevator, at a cost of $130,000, to be provided by the Government. In view of these facts, and of the hopes entertained of a new departure in the cattle and produce trade with Europe, the right and proper thing for the Government to do is to take hold of this work."

Now, hon. gentlemen, the great object in bringing this question before your notice to-day is to have an expression of opinion from Nova Scotia and from the Province of New Brunswick as to whether it is desirable that the Government of Canada should seriously take into consideration the advisability of constructing this road and bridge as a public work. It would give me the greatest satisfaction to know that the Government were going to undertake it, and I should go back to my friends and present to them the fact that something practical was about to be done for the people of St. John by the Government of Canada. Promises are very good, smiles are pleasant, but really we would like something more beneficial than we have had yet. We have been most desirous to be friends and supporters of Confederation, and I think we have done so faithfully, and we are not wholly deprived of the belief that it has done some good, but I believe that the completion of those public works, that is, the connection of the railway, together with the bridge and some other slight improvements necessary, would give great satisfaction to the people of St. John. I do feel grateful for the construction of the Courtney Bay extension of the Intercolonial Railway. I brought that matter under the notice of the former Government, and I believe an arrangement was satisfactorily concluded between the corporation of St. John and the Government of Canada of that day. I should like now, if possible, to impress upon this Government the pleasure it would give me, and many others, if we could induce them to look at this matter in a serious light, and see, if possible, if this connection could not be made, so that traffic of every kind would have those facilities that we have expected would result out of the union with Canada.

Hon. Mr. LEWIN — I wish to make a few remarks in addition to those which have been made by my hon. colleague from St. John. This bridge is not by any means one of merely local importance, but it is one which is of equal importance to a large portion of the Province of New Brunswick, as well as Nova Scotia — the connection of the Intercolonial Railway with the railways on the western side and the American system of railways. There are now two railways on the western side, the St. John and Maine Railway, running to Bangor, and the Grand Southern Railway, which runs from St. John to St. Stephens, which is in connection with Calais, in the State of Maine. There is this peculiarity about this connection. Some five and twenty years ago the Legislature of New Brunswick incorporated the St. John Suspension Bridge Company, with the provision that the flooring of the bridge should be seventy feet above high water mark. This has been considered ever since as the standard at which any bridge over the River St. John, at St. John, must be maintained — that a high level bridge must have a clear space of seventy feet above high water mark. There is only a limited space on which to build such a bridge. At the time the St. John Suspension Bridge was incorporated, I was connected with it, and had some interest in it, and had a great deal of intercourse with the very eminent engineer, Mr. Sorell, from New York, who constructed that bridge. He pointed out the difficulties of constructing a high level bridge of seventy feet except at one limited space very near to where the present bridge spans the river. Any other point of crossing the river with the bridge seventy feet above high water mark, would involve the expenditure of an exceedingly large sum of money. But this spot appeared by nature to have been formed for the construction of a bridge. The Suspension Bridge is built there, and the space for the construction of a railway bridge is very limited. I observe by the newspapers that some parties are applying to the Legislature of New Brunswick, for an Act of Incorporation. A great difference of opinion exists as to whether it should be granted. I quite concur in the opinion of my hon. friend that any bridge crossing there should be in the hands of the Dominion Government, where the various roads which run on either side should have full, free and fair running powers over it. It would be a great misfortune if any thing like a monopoly should be given to a private company. The matter of connecting the Intercolonial Railway with our system of railways and those of the United States is one of very great importance, and I certainly hope that the Dominion Government will take the matter in hand, and not allow it to fall into the hands of any private company whatever.

Hon. Mr. AIKINS — The hon. gentleman who has brought this motion before the House certainly deserves well at the hands of the citizens of St. John. I have noticed on every occasion when the interests of that City or his Province are affected, he never hesitates to stand up in his place and put his views strongly before this House. In reference to the construction of this bridge, every one who knows the locality must certainly be aware that a bridge at that point is of very great consequence to the community, as it would connect the Intercolonial Railway on the one side with the American system of railways on the other. The question is whether the bridge should be constructed by private enterprise, or whether it should be built by the Government. It appears that in the City of St. John the matter has not yet been fully decided as to which would be the proper course. I know very little of the locality, though I have seen it, and am not competent to express an opinion on the subject. There is no objection to bringing down the correspondence which the hon. gentleman desires.

Hon. Mr. MACFARLANE — I think it is hardly agreed upon, even in St. John, where the site of the bridge should be. A very serious difference of opinion exists as to whether it should be at Navy Island or at the Falls, where the Suspension Bridge is. There can be little doubt, however, that wherever it may be constructed it is of very great interest. The river presents a complete break in the travel between the United States and the Maritime Provinces. A bridge ought to be constructed, either by private enterprise or by the Government, at that place, and the time has arrived when, in the interest of public travel and public traffic, a bridge must be constructed. Whether the Government can find their way clear to build it as a portion of the Intercolonial Railway, and in that way make the terminus of that line on the western side of the harbor of St. John, or not, its construction would be a very great public convenience. A Company is now being incorporated in New Brunswick for the purpose of undertaking the work, and I do not at all concur in the opinion expressed by my hon. friends from St. John that if built by a company they would necessarily block the traffic. It is well known that every facility for railway communication across this bridge would be afforded, no matter whether it was owned by a company or by the Government, and whether it is constructed by one or the other it should be undertaken without delay. The time has beyond all doubt arrived when a better means of crossing the harbor of St. John can no longer be delayed.

Hon. Mr. DEVER — I did not mean to say that if a private company should build the bridge they would try to prevent railways from crossing. I mean to say that if a weak company got hold of that bridge and expensive piece of railroad, and delayed the construction for six or seven years, it would be a great misfortune to the public. I know it would be to their interest to accommodate the public as well as they possibly could, but the completion of the work might be delayed for a period that would appear very long to us; and, in my opinion, it never will be done without a large bonus from the Dominion Government, therefore, they had better see to this matter themselves, and have the thing done satisfactorily.

Hon. Mr. MILLER — I have no doubt the hon. gentlemen will succeed in getting what they want, because my experience is that anything leading cities take into their heads to apply for they are successful in obtaining in the end; and, as both St. John and Halifax are interested in the construction of this bridge, I have no doubt they will succeed in having their views carried out by the Government. The misfortune is that these localities possess more influence than they ought to have with every Administration, and other localities which are deserving of more consideration do not possess equal influence. Now, it seems to me that in this House and the other, representatives are looking after the interests of their own particular localities more than the general interest of the whole Dominion; but there is one locality of which we seldom hear anything, and which is more neglected than any other portion of Canada. I allude to Cape Breton. There is no similar extent of territory, from the Atlantic to the Pacific, which has greater grievances to complain of, in respect of its means of communication, than the Island of Cape Breton; yet from it you never hear a complaint at all. That Island is exceptionally situated as a portion of this Dominion. I have no hesitation in saying that for extent of territory the Island of Cape Breton is the most important and valuable portion of our country. Its coal, iron and copper mines, and its other resources — not to speak of its exhaustless fisheries — and its situation as the eastern extremity of the Dominion, make it the most valuable portion of the territory of Canada in proportion to its area; and yet it is most neglected in regard to the public means of any portion of this Dominion. We were once an independent province, having our own governor and assembly; but it was unfortunate for us that the union with Nova Scotia took place before we came into the Confederation. If we had been a separate province at the time of the Union we would have come in with advantages similar to those of Prince Edward Island, which had secured a complete railway system and had the cost of it assumed by Canada.

Hon. Mr. HOWLAN — I beg the hon. gentleman's pardon, it is not a burden on the Dominion.

Hon. Mr. MILLER — I beg the hon. gentleman's pardon, it is.

Hon. Mr. HOWLAN — If the hon. gentleman will allow me I will explain. If we had never built the railway we would have had a similar amount credited to the Province; we came in entitled to a certain debt, and we had a right to build that railway or anything else we liked with it.

Hon. Mr. MILLER — I know all that, and it does not alter what I say. I am speaking of the advantage Prince Edward Island had in coming into the Union as a separate Province. The railways of the different provinces were causes of the debts of those provinces and those debts were assumed by the Dominion.

Hon. Mr. HOWLAN — The hon. gentleman is entirely wrong. When we entered the Dominion we had a right to use the funds we had as we thought fit, and it is not just to say here that our railway was made a burden on the Dominion.

Hon. Mr. MILLER — I adhere to what I said. The hon. member is entirely wrong in the construction he places on my remark, which he evidently does not understand. The debt of Prince Edward Island was chiefly incurred in railway construction, and that debt was assumed by the Dominion under the terms of union with that Island. So were all the debts of the other provinces assumed by Canada in the same way. They all became a burden on the Federal Treasury. I would like to know what else you would call all those liabilities but a burden on the country — and one too of which Cape Breton had to pay its share without any corresponding advantage? The debt of Nova Scotia was all contracted for public works in Nova Scotia proper. We have no public works to show for the large share of Nova Scotia's debt charged against us. That is what I mean by my reference to Prince Edward Island. I do not say there was anything wrong in the terms of union with that Province. The same thing occurred with regard to New Brunswick and Nova Scotia. Their whole debts were assumed by the Dominion at the time of Confederation, and the debt which was contracted in the construction of their railways is now part of the debt of Canada. I do not mean to say that Prince Edward Island got any advantages over Nova Scotia or New Brunswick in this connection. That is not my point at all, but my point is that we would have got the same terms as those which were received by Nova Scotia, New Brunswick and Prince Edward Island when they came into the Union, if we had been an independent province; but, unfortunately, we came in as a portion of Nova Scotia, and the public debt of Nova Scotia proper was charged against Cape Breton without any advantage to us. Although we were called upon to contribute our share towards the construction of the whole railway system of Nova Scotia, and although we have been called upon, since Confederation, to contribute our portion towards the whole railway system of the Dominion, including the Intercolonial and Pacific railways, we have not a single mile of railway in the Island. Yet Cape Breton is a country that has been settled for over 150 years, and has to-day nearly ten times the white population of British Columbia, and nearly the same population as Prince Edward Island. The first duty that devolves upon the Dominion Government in regard to further expenditure on railways in the Maritime Provinces will be to construct a railway across the Island of Cape Breton to Louisburg. This subject is one which must, sooner or later, force itself prominently on the attention of this Parliament, because I do not believe the people of Cape Breton will much longer submit to the unjust treatment they have received from all governments in regard to railway accommodation. We are coming to understand that if we want anything we will have to do the same as other portions of the Dominion — do as British Columbia has done, threaten to go out of the Dominion; talk about annexation; or send representatives to England and get the assistance of the Imperial Government to force the Dominion Parliament to do us justice in this respect. I do think that, before any additional expenditures are given to other portions of the Maritime Provinces, the neglected condition of the Island of Cape Breton should be taken into consideration. I believe this Government is as well disposed towards us as any we ever had, and I do hope they will see their way to do some small measure of justice to that important Island, in regard to railway communication, before long.

Hon. Mr. KAULBACH — As something has been said about the railway system of Nova Scotia, and in justice to Cape Breton, I claim that something should be done for the County of Lunenburg. I think it has also been neglected; it is one of the largest and most important counties in the Province, and its industries are important. We have abundance of gold, copper and iron, and natural resources which only require to be developed; and we have the largest exportation of fish. If any county has been neglected, it is Lunenburg. We have tried to get railway communication there, and a railway is half completed — the money run out and the Company failed — and I think the Government might also be alive to that very important county. I wish to draw public attention to it, because we pride ourselves on being one of the first — if not ranking the very first — County in the Province of Nova Scotia. But, apart from such local matters, I am in favor of the motion of my hon. friend, because I believe that a bridge across the St. John at the Falls, with connection with the Western Extension Railway, is as essential to the trade of Nova Scotia as it is to that of New Brunswick. I believe the City of Halifax is, perhaps, more interested than the City of St. John, because, if Halifax is destined to be the winter port of the Dominion, we require that bridge. With that connection completed, a largely increased freight will go that way, and passengers can land at Halifax, and reach New York in 30 hours. Whether it is to be built by a company or by the Government I cannot say. I prefer that it should be built by a company. It is important that a charter be granted; negotiations, I hear, are pending, and the money can be obtained. I am sure the Dominion Government will assist, if necessary, in securing charter rights to the Company, and will not interfere to obstruct it. No company or Government would have any object in retarding the completion of what is so essential to the trade of the Maritime Provinces. It may be a question whether the Local or Dominion Government should grant the charter.

The motion was agreed to.

BILLS INTRODUCED.

The following Bills from the House of Commons were introduced and read the first time: —

Bill (80) "An Act to incorporate the Acadia Steamship Company, Limited." — (Mr. McLelan).

Bill (20) "An Act respecting the Northern Railway Company of Canada." — (Mr. Vidal).

The following Bills passed the first and second readings: —

Bill (10) "An Act to remove doubts as to the true construction of section 12 of the Northern Railway Company's Act, 1877." — (Mr. Allan).

Bill (53) "An Act to amend the Acts incorporating the Montreal, Portland and Boston Railway Company." — (Mr. Chaffers).

CONSOLIDATED INSURANCE ACT AMENDMENT BILL.

THIRD READING.

Hon. Mr. BELLEROSE moved the third reading of Bill (P) "An Act to amend the Consolidated Insurance Act, 1877."

The motion was agreed to, and the Bill was read the third time and passed.

THE WALKER HEIRS' CLAIM.

REPORT OF THE COMMITTEE ADOPTED.

Hon. Mr. GUEVREMENT moved the adoption of the report of the Select Committee appointed to investigate the claims of the heirs of one Walker to a lot of land in the Seigniory of Sorel.

The motion was agreed to.

INDIAN ACT AMENDMENT BILL.

SECOND READING.

Hon. Mr. AIKINS moved the second reading of Bill (S) "An Act to amend the Indian Act, 1880." He said: This Bill consists largely of details which could, perhaps, be better discussed in Committee of the Whole.

Hon. Mr. MILLER — What is the object of the first clause?

Hon. Mr. AIKINS — The object of the Bill as a whole is to save the Indians from the cupidity of the white man. They barter away their clothes, their cattle, and everything they possess.

Hon. Mr. CORNWALL — What necessity is there for applying such a clause as that to the Indians of British Columbia, who for twenty years back have been as accustomed to raise and dispose of agricultural products as white men. If this clause is allowed to pass in its present shape, they will be unable to do so any longer.

Hon. Mr. AIKINS — I will make inquiries and inform the hon. gentleman when the House goes into Committee on the Bill.

Hon. Mr. CORNWALL — I should also like to call the hon. gentleman's attention to the 10th clause, which provides that every Indian commissioner and assistant Indian commissioner shall be *ex officio* a justice of the peace. It seems to me that is a rather curious provision, and in many cases it might be a very unfair provision unless the duties of a justice of the peace were confined to cases which might arise among the Indians themselves. In the case of an Indian agent who has especially under his care the interest of any particular band of Indians, and is more or less an interested party, it seems unfair that he should be invested with power to deal with disputes between Indians and white men.

Hon. Mr. AIKINS — The reason for placing these extraordinary powers in the hands of these officers is simply this: in those remote districts, unless you clothe those officers with such powers, justice will not be meted out to those who violate the law. That has been our experience in the North-West, and I think it is intended for that country more than for British Columbia.

Hon. Mr. CORNWALL — It is quite possible that it may be absolutely necessary in the North-West, but I think it is absolutely unnecessary in British Columbia. I think it very unfair and unwise that the Indian agents who, I understand, are to be very shortly appointed in British Columbia, should be invested with the powers of justices of the peace. If the Government could avoid conferring such powers on Indian agents in British Columbia it would be better for all concerned.

Hon. Mr. TRUDEL — I should like to know if it is the intention of the Government to enfranchise the Indians of the Dominion? Last year I had the honor to call the attention of the Government to this matter, and to-day I have read a letter which expresses the same feelings, and I know that this sentiment is shared by many people of the Province from which I come. There are facts mentioned to me which show very clearly that in some parts of the Dominion the Indians should be enfranchised. For instance, there is one case mentioned to me. In Caughnawaga there is a half-breed who keeps a store; he is a man of great ability and energy, and has succeeded in establishing a good business. Of course he cannot find, amongst the Indian women, anybody suitable to keep his house. He engaged a white person last year, but that person was summoned before a magistrate and ordered to leave the village. Now, there is another instance, of more importance. There is a gentleman in the same village who contracted to furnish stone for the Lachine Canal works and other large public works in that neighborhood. This gentleman has made a contract to deliver a quantity of stone for a cut stone house, and he provided employment for about fifty Indians. It is a great advantage to the Indians, but as there were no stone-cutters amongst them he was obliged to bring them from other places. As soon as these stone-cutters came into the village to work they were ordered to leave the place, so that this man, who is himself a half-breed, is obliged to abandon his contract, and deprive the Indians of the Village of Caughnawaga of very great advantages to themselves. Orders have also been given to owners of farms to dismiss their farmers and servants employed on the farms, because they are white people. These facts show that the time has come for enfranchising these people, because as soon as some of them exert themselves to improve their condition they are prevented from doing so by the enforcement of the laws. Of course I understand that the law prohibiting white people from residing in such places ought to be carried into effect, but hon. gentlemen will see at once the disadvantage in such cases as those I have mentioned. I am of opinion that the spirit of the law does not deprive Indians of having white servants, and the enforcement of the law is too severe. I understand that this matter does not regularly arise in the discussion of this Bill, but I have availed myself of this opportunity to call the attention of the Government to these facts; and I am sure that anything that can be done in the way of enfranchising these people will be received by the most enlightened amongst them with deep gratitude, and will be not only a great advantage to them but also to the locality from which they come.

Hon. Mr. PENNY — My impression is very strongly in the same direction as that of the hon. gentleman who has addressed the House. I know the gentleman of whom he spoke; he is just as well able to take care of himself as anyone in this House, and perhaps better than most of us. He has a large business and has saved money. He owns several farms, and he finds it very difficult, at times, to get laborers to work on them. When he employs white laborers they are ordered off, and we all know that Indians do not make the best agricultural laborers. The consequence is that the industry of the place is brought to a standstill simply because this man is in a state of tutelage; whereas, as I said before, he is quite competent to look after himself.

Hon. Mr. BUREAU — It is quite impossible to apply the laws which are applicable to bands of Indians in the North-West to the tribes in our Province, and I am astonished to learn that the Department at Ottawa is not moving in the direction of enfranchising the Indians. On the contrary, every difficulty is thrown in the way of leading them to rely on their own resources. A few years ago the Indians in our part of the country were paying their debts and doing very well; but the Department at Ottawa thought fit to say that the Indians should not be obliged, for the future, to discharge their obligations. The consequence is they have become dishonest, and have refused to pay any of the debts they had contracted, and the worst of it is that nobody will trust them now when they are in need. In the village of Caughnawaga, there are several first class farmers, but the Department at Ottawa has issued an order to expel the white people who are working for these Indians from the reservation, and it will be impossible to obtain labor to cultivate these lands. The Government tells them, "you cannot for the future derive any benefit from your lands;" and under the orders of the Department the farms of Caughnawaga cannot be cultivated next spring. The owners of these farms come here and lay their cases before the Superintendent, — because, I suppose, the Minister at the head of the Department does not care to deal with the question — and the answer is always: "we will not allow white men to be there, or to be your servants." The Indians say, "if we cannot get these lazy fellows on the reservation to work, what can we do?" How do those people live? Their wives are compelled to earn a living for them. I know some of those Indians at Caughnawaga who are respectable men and well educated, and I have had occasion, in the exercise of my profession, to learn that they lend large sums of money to the farmers in the County of Laprairie and elsewere. Those men are treated in the most unjust and barbarous manner by the Department, and the gentleman in the Department from whom this advice comes, is a fanatical man — I think they call him Mr. Vankoughnet. He issues his orders like a despot. More than that, this Department encourages dissensions among the Indians; it encourages them to take possession of lands that do not belong to them, because they declare that the property in the reservation is held in common. Up to a recent period the Indians were very prosperous, many of them cultivating their own lands, with the assistance of white agricultural laborers, and when they cleared a farm they had the benefit of it. But now we are told that, because the reservation is held in common, the men who have improved these properties will be obliged to share the result of their labors with the lazy Indians who have never attempted to earn their own living. The effect of such a policy is most disastrous and demoralizing. During the present session, one of the chiefs came here and said to me "I cannot obtain justice from the Department; they stick to their absurd rules. Their is no way of obtaining redress, as they will not allow white men to work for the Indians, and we cannot get the lazy fellows, who are depending upon the rafts coming down in the spring, for employment, to work for us." They have no knowledge of agriculture, and the consequence is they are obliged, as the result of the present policy of the Government, to lose all the benefit which they should derive from their land. I am confident that the Government will take notice of what I have said to-day. I say it in the interests of peace, in the interests of the people who are affected by those regulations, and even in the interest of the Government themselves.

Hon. Mr. DICKEY — I am inclined to think it quite possible that there is such a thing as legislating too much for the benefit of the poor Indian. You have gone to a considerable expense and taken a great deal of pains to teach them to cultivate the soil, and the way in which this legislation will be presented to the mind of the Indian is that, after having encouraged him in habits of industry and thrift, you are to tell him in the same breath that he is not to make use of the products of the soil for barter. To the untutored mind there is an inconsistency in that. Then, with regard to the reserves, by this legislation you prevent the Indians from cutting a certain description of timber. It may be all very well, and for my own part I have very great confidence in the ability and discretion of the present Indian Commissioner, but I think the Government will have to exercise great care to avoid, if possible creating any bad feeling on the part of those people. We have got on so well with them thus far that I think it is not desirable by tightening the lines of legislation to make them feel themselves in a worse position than they are. So much for the general character of the Bill. As for clause 10, referred to by the hon. member from British Columbia, it cannot, I think, pass in its present shape. The same object can be carried out without interfering with the local laws of the provinces. We have no power to appoint a justice of the peace; that power rests with the local authorities, yet you propose here to make certain persons *ex officio* justices of the peace. The object of this, I take it, is to give those persons the powers of a justice of the peace in carrying out this Act?

Hon. Mr. AIKINS — Certainly.

Hon. Mr. DICKEY — If it is confined to that there can be no objection to amending the clause in this sense.

Hon. Mr. VIDAL — Is this Act intended to apply to the whole Dominion or to the North-West Territories?

Hon. Mr. AIKINS — It is general now in its provisions.

Hon. Mr. VIDAL — I share the objection entertained by the hon. Senator from Amherst as to the interference with the action of the provinces in appointing justices of the peace. I think there is another section — the eighth — which cannot be expected to pass this House.

Within a few days the House has declared that the health, happiness, and prosperity of the people are promoted by the use of ales, porter and light wines, and that it is tyranny and oppression to say to white people they shall not be permitted to use those drinks. Yet what do we find here? We find this tyranny and oppression exercised over the wards of the Government, those over whom we should exercise the greatest care ——

Hon. Mr. SCOTT — Give them light wines.

Hon. Mr. VIDAL — I think this House cannot, consistently with its recently declared views, adopt this clause without adding that beer, cider and light wines are excepted.

Hon. Mr. HAYTHORNE — I assume, from the introduction of this Bill, the House may infer that the Government have really made some solid progress towards educating the Indians in the art of agriculture. If so, it is a matter on which we may fairly congratulate the country. I am not surprised that it should be found necessary to initiate some regulations of the kind referred to in the second clause of this Bill. I have had some little experience of Indians in former times myself, and I am quite aware that it is sometimes necessary to take measures to prevent them from making away with the produce of their land. It the Government undertake to pass such a law as this, it should be with the understanding that the state of tutelage of the Indians should be done away with as soon as possible, for it seems to me to have rather a tendency to lower the Indian mind than to raise it. The object of the Government being, I presume, to place the Indian as speedily as possible in the ranks of the ordinary population of the country, they must see that that object cannot be attained by treating the Indian as a minor, as this Bill does. I have recently seen a blue book emanating from the Indian Bureau of the United States, and although we have been generally accustomed to understand that the Indians of that country have not been as kindly treated, or as fairly treated as the Canadian Indians have been, yet I believe that a change has taken place in that respect within the last two or three years, and I would ask if the members of the Government have had their attention drawn to the proceedings of the Indian Bureau at Washington? I have every reason to believe that very important progress has been made by our neighbors in their treatment of the Indians. I think they have done pretty nearly all that we have done and are doing in their treatment of the Indians with regard to agriculture, and in some respects they have gone further than we have done. They have made some attempt to break up the tribal relation, and make the Indians part of the population. They have been very successful during the last year or two in another way, to which I call particular attention. It is stated that the Bureau has succeeded in employing the Indians in the transport of supplies and stores belonging to the Department to the different forts and depots in their North-West. The Department has loaded the stores on to wagons belonging to the Department and the Indians have drawn them to their destination with their own horses. I think this is putting the Indian to a use that is in conformity with his peculiar habits, and it seems to me, calculated to develop his best qualities. I would simply suggest to the members of the Government, if they have not seen this particular blue book to which I refer, it might be worth their while to inquire for it.

Hon. Mr. AIKINS—I have not had an opportunity of seeing the report to which the hon. gentleman refers, but I have no doubt that the officers of the Department whose duty it is to look after such matters have seen it. As to the Indians of the United States forwarding supplies to the reserves with their own horses, I may say that our own Indians in the North-West, when they received their ploughs and harrows as provided by treaty at a certain place, took them away in their own conveyances to the reserve. With reference to the point raised by my hon. friend from De Lorimier about the Caughnawauga Indians, that matter has been before the Government for a long time. It has been going on between the Indians themselves and between the Indians and whites; and it was thought by the Government to put a stop to it as far as possible by having the reserve surveyed. The survey of the reserve was finished last summer, and after determining of what the reserve consists it will be less different to deal with the troubles which then exist. It is not in the interests of the Government to keep the Indians in a state of tutelage if they can be enfranchised. In the North-West, where we may have to feed them, and may have to do so for some time to come, the Government is endeavoring to employ them in all sorts of public works that are going on. Even though their work may not be of any great importance, still it is better to have them employed at anything rather than to continue as paupers. The object is to try and make the Indians self supporting, and relieve the country of the present burden. That is the object of the Government, and I think it is a very laudable one.

Hon. Mr. DEVER — I was under the impression that the policy of the United States was to exterminate their Indians, and I was surprised to hear the statement of my hon. friend from Prince Edward Island, that, instead of that being the policy of the United States, they were endeavoring to civilize the Indians. I fail to see, however, that Sitting Bull has been induced to leave our country for better protection, better lands, and more kindly treatment from the people on the other side of the line. It strikes me they feel that Canada is doing for them somewhat better and more satisfactorily than the United States would, or else they would be disposed to go back again. I have no objection whatever to the policy of the Government of Canada towards the Indians, and I hope they will continue it. The Indians are, to a large extent, dependent upon the white people of this country, and I think it is our duty, as far as we are able, to afford them every protection, and teach them the arts of civilization.

The motion was agreed to, and the Bill was read the second time.

THIRD READINGS.

The following Bills were reported from Committee of the Whole without amendment, read the third time, and passed :—

Bill (37) "An Act to provide for the correspondence of certain provisions of the Act respecting the navigation of Canadian waters, with the provisions for like purpose in the United Kingdom."—(Sir Alex. Campbell.)

Bill (76) "An Act relating to the Canada Military Asylum at Quebec." — (Sir Alex. Campbell.)

CUSTOMS LAWS CONSOLIDATION BILL.

SECOND READING.

Hon. Mr. AIKINS moved the second reading of Bill (78) "An Act to amend the Act 40 Victoria, chapter 2, intituled 'An Act to amend and consolidate the Acts respecting the Customs.'" He said: This Bill has been introduced to amend the Customs Laws in several particulars, the first of which is to be able to more definitely decide as to the damage of goods by water, so that there may be a rebate with regard to the customs duties. There is a new provision in it, and that is with reference to damage to goods imported into Canada by railway or other land conveyance. That is a principle that has not been embodied in the present Customs Act. It also makes provision with regard to the mode of appraizement of this damage, and how the original value of the goods is to be determined. It also makes provision to remove doubts which have arisen as to the persons who in the outside service were empowered to administer oaths. It also makes provision defining the officers in the inside service before whom oaths may be taken in the settlement or adjustment of difficulties with the Department. It gives power to the Governor in Council that he may, by regulation, authorize the alteration of the form of oath in the schedule of this Act. Under the present law the oath may be abbreviated, but the form substantially must remain unchanged. Nothing can be added to it. It also makes provision that, with regard to the value of goods, if the owner or consignee thinks they are valued too high by the appraizer, two merchants may be called in and they may appraize the goods. Under the present law the appraizer or collector comes in and makes the final decision. By this Bill the Commissioner of Customs is substituted for the appraizer, who, after he has received the report of the merchants, will make the final decision. I think this is an improvement on the present law.

Hon. Mr. SCOTT — Do I understand that a party can appeal against the judgment of the appraizer belonging to the Department, and that it will be referred to two merchants and to the Commissioner of Customs?

Hon. Mr. AIKINS — As to the value of the goods on which the duty is assessed, it is taken out of the hands of the appraizer and referred to the Commissioner of Customs as I have described, who will be considered more independent than the appraizer who had already given a decision.

Hon. Mr. REESOR — At whose expense would the appeal be made?

Hon. Mr. AIKINS — If the appraizer's views are sustained, the expense will fall on the party who calls in the merchants, but if the decision is against the appraizer the expense will fall on the Government. It has been found that in the working of the outside service of the Department, goods were frequently allowed by the collector to go out of the warehouse without the payment of the duty, and losses have been sustained in that way. This is amended by the present measure. Provision is also made in this Bill that the Governor in Council may make regulations for the ex-warehousing of goods the duties on which would be less than $20. By the present law no goods can be taken out of ex-warehouse unless the duties are equal to $20 — unless the duty on original entry for warehouse was less than that amount.

The motion was agreed to, and the Bill was read the second time.

SAVINGS BANKS LAWS AMENDMENT BILL.

SECOND READING.

Hon. Sir ALEX. CAMPBELL moved the second reading of Bill (83) "An Act further to amend an Act respecting certain savings banks in the Provinces of Ontario and Quebec, and to continue for a limited time the charters of certain banks to which the said Act applies." He said: This Bill is not complete in one respect. It has been suggested to the Government that it would be better that the savings banks should be compelled to make certain returns in the same way as ordinary banks, but the schedule which answers the purpose with reference to ordinary banks is not adapted to the savings banks, and, therefore, we propose to try and form a schedule which will be more consonant with the business to be done by savings banks, and as this schedule will not be ready for the House until to-morrow, if the House would allow the Bill to be read the second time now, and take the discussion to-morrow, in the meantime I will lay upon the table of the House the form of return which the Government proposes to adopt.

Hon. Mr. SCOTT — Was it not an expressed opinion last year that in any further legislation extending the time of savings banks doing ordinary business there should be some legislation, and that an opportunity should be afforded for discussing the whole subject? It is rather late, at this period of the session, for doing so. This Bill proposes to extend the powers of savings banks for ten years. Hitherto the limitation has been for some period considerably less than that.

Hon. Sir ALEX. CAMPBELL — There has only been one extension, and that was last session, an extension for a year. It was done for the purpose of giving consideration to objections which, if they were well founded, would show the necessity of amending the Bill in the direction to prevent savings banks from investing in certain kinds of securities. If that is the point which is to be raised on this section by my hon. friend, I will be prepared to discuss it when the Bill is before us with the schedules.

The motion was agreed to, and the Bill was read the second time.

CREDIT FONCIER FRANCO-CANADIEN BILL.

SECOND READING POSTPONED.

Hon. Mr. GIBBS moved the second reading of Bill (31) "An Act to enlarge and extend the powers of the Credit Foncier Franco-Canadien."

Hon. Mr. DICKEY — I was going to suggest to my hon. friend that this is a Bill somewhat novel in its character. It proposes to extend the operation of an Act which has been passed by another legislature, containing a great many sections — one of the longest Acts on the statute book, and this Bill has only been brought to our notice at the last sitting of this House. In dealing with such an important measure as this, members should have time to consider it, and I hope my hon. friend will allow the Bill to stand for a couple of days in order that we may have an opportunity to read it.

Hon. Mr. DEBOUCHERVILLE — As I intend to move an amendment which will have the effect of giving more information to the House on this Bill, I hope my hon. friend will not press the second reading now. My motion is, that this Bill be not now read the second time, but that it be referred, with the Act of Quebec — cap. 60, referred to in this Bill — incorporating the Credit Foncier Franco-Canadien, to the judges of the Supreme Court, asking their honors' opinion on the constitutionality of the Bill, and of the Act of the Province of Quebec. If I can show that there are grave doubts as to the constitutionality of the Quebec Act, it would be better not to pass the second reading.

Hon. Sir ALEX. CAMPBELL — We are not in a position very well to appreciate what my hon. friend is going to argue, as we have not read the Bill. Would it not be better to take the suggestion of the hon. gentleman from Amherst?

Hon. Mr. DEBOUCHERVILLE — We have not the Quebec Act before us, which is the charter of the Company, and it cannot be had probably for a week, but, if I can show that this Quebec charter the extension of which is asked for, is unconstitutional, would it not be prudent for us to refer it to the Supreme Court Judges, as we have the right to do by the 55th rule of this House. We should then be in a better position to judge whether we shall give this Company the extension which it asks.

Hon. Sir ALEX. CAMPBELL—We can hardly decide whether it is best to refer it to the Supreme Court until we have read the Bill.

Hon. Mr. DeBOUCHERVILLE — There is no motion to have their charter before us, and we will be no better informed two or three days hence if there is no motion to have the Act submitted to us.

Hon. Sir ALEX. CAMPBELL—We have the statutes of Quebec.

Hon. Mr. DeBOUCHERVILLE — There are only two copies in the library. I can cite the objections which are urged against the Quebec Act and I think after that hon. gentlemen will be in a position to decide whether it will not be better to refer it to the Supreme Court.

Hon. Sir ALEX. CAMPBELL I — do not see how my hon. friend can expect members of this House, particularly members of the legal profession, to agree that the reference should be made to the Supreme Court until they have had some opportunity of studying the question. The reference to the Supreme Court is, of course, in the power of the House, but the House should decide whether the reference should be made, and in this particular instance in order to decide they must have the Bill and other papers to which it alludes.

Hon. Mr. DeBOUCHERVILLE — The Credit Foncier Franco-Canadian Company have taken good care to get a Bill exactly the same as the one that was asked from this Parliament and from the Ontario Legislature, so that, if by some means or other this Bill should not pass, the Company have all the powers they ask by their local Acts. If we postpone the examination of this Bill, we will have to postpone at the same time the examination of the Bill of the Credit Foncier of the Dominion. The objection is that if the Bill of the Credit Foncier of the Dominion is postponed, the Franco-Canadien Company will have secured all that it requires — a fifty years' privilege in Quebec. Hon. gentlemen will have seen how hard they fought in the other House to prevent the second Company from getting what it asked.

Hon. Mr. DICKEY — My hon. friend is laboring under a mistake with regard to this matter. He says that there are no copies of the Quebec statute to be referred to. If that is the case, how is it possible that the judges of the Supreme Court can possess themselves of the necessary knowledge of the provisions of that Act? Then there is the difficulty of referring an Act of the Local Legislature to the Supreme Court judges for an opinion. I do think, under all the circumstances, that the course which has been suggested by me and adopted by the leader of the Government, is the one that ought to be followed; and the motion to refer the Bill will be quite in order on the second reading.

Hon. Mr. PENNY — If I understand the question right, there is one clause in the Quebec Act which I think it would be very imprudent for this Legislature to sanction. It gives a monopoly to this Company, as far as France is concerned, for the whole period of its existence — fifty years. It provides that no other French company can operate in the Province of Quebec during the time for which this charter runs. It seems to me that that in itself ought to put us on our guard as to how far we should homologate such a principle as that in this Legislature. I think such a monopoly as that is particularly objectionable.

Hon. Mr. GIBBS — I do not think this House can deal with the legislation of the Province of Quebec in the way suggested. That provision applies only to the Province of Quebec. They either had the right or they had not (as the Supreme Court may hereafter determine) to pass such a clause, and, if they had, then of course that is the end of it. This Bill has no such clause in it, as the hon. gentleman states, and sending it to the Supreme Court at this late period of the session would virtually throw the Bill out. Perhaps that is the object of the hon. gentleman from Montarville. This is not the first Bill of the kind that has been passed by the Parliament of Canada; there are a good many others on the statute book at present of a similar character, and if I am allowed to quote the best authorities in another place, the first legal minds of the Dominion, I find that they have given their opinions unhesitatingly that it is quite within the province of this Parliament to pass the Bill which is now before the House. I may say to this hon. House that the Company promoting this Bill, in order that no difficulty may arise in the future as to its legal position, has taken legislation in the Provinces of Quebec and Ontario, and has given notice of legislation in the same direction in Nova Scotia, New Brunswick and Prince Edward Island, and I believe it intends to take legislation in every province in the Dominion where it may carry on operations. Then, in case the Supreme Court should hold that this Parliament has no right to enact legislation of this kind, the Company can fall back on its local charters; if, on the other hand, the Court should hold that the local legislatures have no power to pass such an Act, then the Company falls back on the legislation of this Parliament. There may be very extraordinary legislation in the Bill which has been passed by the Province of Quebec, but I do not think that comes under the review of this Parliament at present. It may be for the Supreme Court to declare it to be unconstitutional, or it may be for the proper authorities to disallow the Bill if *ultra vires.* I do not think there is any force in the argument advanced by my hon. friend from Montarville, unless it is his desire to prevent the passing of the Bill and defeat the object of its promoters. Capitalists are always timid that their money may not be securely invested, and in order to avoid any such contingency the Company have taken the precaution to ask for legislation from both the Provincial and Dominion Legislatures. While the legislation of Quebec may have some objectionable features, I do not think anything of the kind can be found in the Bill before the House. While I feel satisfied that the Bill will be acceptable to the House, I quite agree with the suggestion of the hon. gentleman from Amherst that the second reading should stand until the day after to-morrow, if it is not for the purpose of defeating the Bill.

Hon. Mr. DEBOUCHERVILLE — The reason why I insist, and I would insist now if I thought the House would support me, that the Bill should be referred to the Supreme Court is this: the Court has adjourned until Thursday. They will resume on Thursday, and, as this Bill would not take more than a day to consider it, they could render a decision in time to pass the measure.

Hon. Mr. REESOR — I should like to ask whether the passing of this Bill would re-enact all the provisions of the Act now in operation in the Province of Quebec and extend them throughout the whole Dominion, with all their objectionable features?

Hon. Mr. GIBBS — No; that is not the intention.

The order was discharged and the second reading fixed for Wednesday.

CREDIT FONCIER OF THE DOMINION BILL.

SECOND READING POSTPONED.

Hon. Mr. VIDAL moved the second reading of Bill (32) "An Act to incorporate the Credit Foncier of the Dominion."

Hon. Mr. MILLER asked that this Bill be allowed to stand until Wednesday.

Hon. Mr. VIDAL feared that at this late period of the session a postponement of the second reading would insure its defeat. It contained many and important clauses, which required to be carefully considered by the Committee on Banking and Commerce.

Hon. Mr. FLINT said it contained some very extraordinary clauses — some that he had never seen in any Bill before — and it struck him that unless an opportunity was afforded to carefully examine the measure it would be better to move the three months' hoist.

After some further discussion the order was discharged, and the second reading was fixed for Wednesday next.

The Senate adjourned at 5.50 p.m.

THE SENATE.

Tuesday, March 15th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

THE PRINTING OF PARLIAMENT.

SEVENTH REPORT OF COMMITTEE ADOPTED.

Hon. Mr. AIKINS, in the absence of hon. Mr. SIMPSON, moved the adoption of the seventh report of the Joint Committee of both Houses on the Printing of Parliament. He explained that it was one of the usual reports recommending the printing of certain documents.

The motion was agreed to.

THE ACADIA STEAMSHIP COMPANY BILL.

SECOND READING.

Hon. Mr. McLELAN moved the second reading of Bill (80) "An Act to incorporate the Acadia Steamship Company." He said it contained the ordinary clauses necessary to incorporate a commercial company. The gentlemen whose names were mentioned in it were largely engaged in the exportation of fruit in the County of Annapolis, N.S. They had sustained large losses by exporting in sailing vessels, and therefore desired to be incorporated as a steamship company to carry on their business by steamships.

The Bill was read the second time.

NORTHERN RAILWAY COMPANY'S BILL.

SECOND READING.

Hon. Mr. VIDAL moved the second reading of Bill (20) "An Act respecting the Northern Railway Company of Canada." He explained that it was an Act to sanction an agreement which had been entered into between the Northern Railway of Canada and the Hamilton and North-Western Railway Company, an agreement which was appended to the Bill as schedule A.

The Bill was read the second time.

INDIAN ACT AMENDMENT BILL.

THIRD READING.

The House went into Committee on Bill (S) "An Act to amend the Indian Act, 1880."

In the Committee,

Hon. Mr. AIKINS said since the discussion of yesterday he had consulted the Indian Department in reference to the necessity of making these regulations apply to British Columbia, and had been informed that the intention really was that they should apply to the territories, the district of Keewatin, and the Province of Manitoba, but it was thought that the occasion might arise hereafter that regulations might have to be made in reference to the Indians in the northern part of the Province of British Columbia. However, as there was no pressing necessity, and as the hon. gentleman from British Columbia did not desire to see the provisions in this Bill, so far as these regulations were concerned, apply to that Province, there was no objection to their being dropped. He, therefore, moved to amend the first clause by striking from it the words "Province of British Columbia," the effect of which would be to confine the application of the regulations to the North-West Territories, the Province of Manitoba, and the District of Keewatin.

Hon. Mr. REESOR did not rise to oppose the adoption of the clause, but he thought a good deal might be learned from the operation of the law regulating the privileges of the Indians in Ontario. He remembered a few years ago of having been in one of the Indian reservations after a very large meeting of the braves in council, and observed a large tract of land lying as a common, although it had been cleared at the expense of the Government, and although the Indians had been furnished with farming utensils, oxen, cows, and he was not sure but a few horses also. They had allowed their fences to be burned down, and never replaced them. The land was uncultivated, and instead of raising more cattle they had killed the cows and oxen that had been supplied them. In reply to a question, a well educated Indian informed him that it was due to the old Indian custom of holding property in common — that the Indians were in the strictest sense Communists, and if one Indian was industrious and accumulated something, another Indian who was lazy and thriftless would live upon the fruits of his industry. There was little inducement for any of them to try to accumulate anything under such circumstances. He (Mr. Reesor) did not know whether the Department encourages that spirit of thriftlessness and

Communism, or whether they were disposed to encourage the spirit of individual independence and industry. He merely called the attention of the Government to the fact that it was a source of complaint in neighborhoods where the Indians were civilized and being civilized. He knew there was great difficulty in guarding against the Indians being imposed upon, and, on the other hand, to judge how far they might be allowed to act as white men. From what he had heard yesterday with regard to the Caughnawauga Indians it was clear that the Departmental regulations sometimes operated unfavorably. He called attention to the fact in order, as far as it was possible, that the Government might see that the Department was so managed as not to interfere with the development of a higher civilization if any Indians showed an inclination or the ability to improve their condition.

Hon. Mr. AIKINS said the policy of the Government in reference to the Indians was to elevate them, if possible, in some of the reserves. After their reserves we e surveyed they were subdivided up, so that each individual Indian family might have its own holding. That was all the Government could do in the way of putting Indian families in a position to exert themselves to better their condition and gain a livelihood. It was the policy not only of this Government, but of every Government in this country, to elevate the Indians, and to diminish, as far as possible, the expense that had been incurred, and would likely for some time be incurred, for their support.

Hon. Mr. BOTSFORD inquired if these amendments to the Bill were confined to the North-West Territories, Keewatin and Manitoba.

Hon. Mr. AIKINS said the first five clauses in reference to which the Governor in Council may make regulations would apply exclusively to Manitoba, Keewatin and the North-West Territories. The remaining clauses were general.

The amendment was agreed to, and the clause was adopted.

On the 10th clause,

Hon. Mr. Reesor.

Hon. Mr. AIKINS moved to amend the clause by adding the words "For the purposes of this Act." He explained that this clause giving Indian agents the powers of a justice of the peace would, by amendment, limit the exercise of those powers to cases arising under the Indian Act.

Hon. Mr. CORNWALL suggested that the amendment might go further, and provide that those inspectors and Indian agents shall have jurisdiction in matters in dispute between Indians alone. In that way the inspectors and agents might be made more or less useful to the Indians, and no harm could arise from it.

Hon. Mr. AIKINS said that the Indian Act already made provision for cases of that kind.

Hon. Mr. GIRARD thought the Indian Commissioners should be required to reside in the reservation or district of inspection. They were the guardians of the Indians, and so long as the Indians were treated like minors they should have the advantage of the presence in their reservations of the Commissioners and Assistant Commissioners. They should have power to settle all difficulties arising within the limits of their districts of inspection, among the Indians themselves or between Indians and whites. The Commissioners should be always in their districts to deal with those who had business to transact with Indians. He approved of the provisions of the Bill prohibiting trade with the Indians. They had no experience, and they needed to have some one to assist them in all their transactions, but he thought the time had arrived when provision should be made for the early emancipation of the tribes. They had been too long in a state of tutelage, and had received too much protection from the Government. If the Government had put before them the idea that at an early day they should be emancipated, there would be more enterprize among them, and less of a dispostion to depend upon the Government for support. The time had come when they should work for their own living. The buffalo was becoming more scarce every year, and they should be taught to be more self reliant, and to be more self supporting, and placed upon the same footing as other subjects of Her Majesty.

Hon. Mr. VIDAL considered that the amendment proposed by the hon. Minister of Inland Revenue would not meet the case, as he doubted whether this Parliament had power to provide for the appointment of justices of the peace in Manitoba.

Hon. Mr. REESOR contended that the Dominion Parliament having jurisdiction over Indian affairs had a right to enact laws in reference to Indians; and everything incidental to that power came properly within the jurisdiction of this Legislature.

Hon. Mr. VIDAL said that those magistrates would not only have the power to try cases between Indians, but also cases between white people in that territory.

Hon. Mr. AIKINS —It is contended that the power to appoint justices of the peace rests with the Dominion and not with the local Governments.

Hon. Mr. MILLER —That is the opinion held by very competent lawyers.

Hon. Mr. AIKINS said that the reason why those officers were appointed as justices of the peace was that sometimes they lived in very remote districts; they had to perform certain duties, and if they were not clothed with such authority it would permit offenders against the Act to go unpunished.

Hon. Mr. GIRARD thought it would be a great advantage if the Indian agents were compelled to reside within the limits of their agencies.

Hon. Mr. AIKINS said that if the Indian agents were always reliable men there would be no difficulty in clothing them with those powers, but the experience of the past in Canada, as well as in the United States, had shown that Indian agents did not always discharge their duties faithfully. When a difficulty occurred that was beyond their jurisdiction to settle, it would be better to leave it to be settled by the Department in the ordinary way.

Hon. Mr. MACDONALD contended that it would not do to confine the operation of this clause altogether to Indians, as disputes might arise in which white men would be involved, and the magistrate should have the power to act in both cases.

The clause was adopted.

On the 12th clause,

Hon. Dr. BROUSE contended that the Government should show some strong necessity for making the appointments for which this clause provided. The expenses of the Department were increasing very rapidly.

Hon. Mr. AIKINS said that the head of the Department (Sir John Macdonald) considered it advisable to make provision for such appointments should they be found necessary. Mr. Dewdney, the Indian Commissioner, was obliged to travel all over the North-West, and if a certain amount of work had to be done in Keewatin, Manitoba and the Territories some one would have to do it.

Hon. Mr. FLINT, from the Committee, reported the Bill with certain amendments.

The amendments were concurred in and the Bill was read the third time and passed.

CUSTOMS LAWS CONSOLIDATION BILL.

THIRD READING.

Hon. Mr. AIKINS moved the House into Committee of the Whole on Bill (78) "An Act to amend and consolidate the Acts respecting Customs."

In the Committee, on the 11th clause,

Hon. Mr. GIRARD called the attention of the Minister of Inland Revenue to a provision of the old Assiniboia law, under which wine and other articles imported for the use of the missionaries were admitted into that country free of duty. He considered that it was a very wise provision, and one that should be incorporated in this Bill. Hon. gentlemen would admit that it was owing to the self sacrificing and philanthropic efforts of the missionaries to Christianize the Indians of the North-West that that vast territory was brought into the Dominion with so little trouble and expense. It would only be an act of gratitude and justice on the part of the Government to ask Parliament to declare that all goods and wine imported into the North-West for the use of the missionaries should be exempt from duties, as a recognition of the services rendered to the Dominion by those men. Such a proposition would come more properly from the other House, but, as the Government had not done so, there he felt it his duty to move that the clause be amended by adding after the word "duty," on the second line, the words "All articles and objects sent by charitable institutions to help missionary work, and all the wine used for church purposes also."

Hon. Mr. AIKINS said there was not the least doubt that those who had gone into the North-West as missionaries among the Indians had in many instances taken their lives in their hands. There was this difficulty about his hon. friend's amendment, however, it was a matter that must necessarily originate in the other House, and originate by resolution of the House. He did not think his hon. friend could properly propose a motion of that kind in this House, and after having given expression to his views and put them on record, he should withdraw it.

Hon. Mr. BELLEROSE admitted that the objection taken by the Minister of Inland Revenue was a good one, but he regretted that this question, which had been submitted to the Minister of Finance before the Bill was presented to the House, had not received much attention. It was an advantage to the Government to have missionaries working in the North-West, and there was no doubt if they had not preceded the Government in that territory, it would not have been brought into the Dominion and organized under a Government without vast trouble and expense. He was sure that for years to come, if further treaties had to be negotiated with the Indians in the North-West, these treaties would be made under conditions more acceptable to Canada than if the missionaries had not preceded the Government. He regretted that the Ministry had not felt it to be their duty to recognize the good work of those devoted men and grant the exemption which had been asked. Although it could not be done in this House, it might yet be done in another place before the close of the session.

Hon. Mr. VIDAL was not so sure that this House had not the power to provide for the exemption from duties, as would be seen, he thought, by the last section of the Bill authorizing the refunding of duties in certain cases.

Hon. Mr. DICKEY congratulated his hon. friends from Sarnia and St. Boniface on their change of sentiment since the debate on the Temperance Act. On that occasion they had objected to the adoption of a provision by which the people were to be permitted to use ales, porter, cider, and light wines, but now they were prepared to go so far as to exempt from duty wines imported into the North-West for the use of clergymen.

Hon. Mr. GIRARD contended that his hon. friend from Sarnia and himself were perfectly consistent in the course they had advocated. The wine that they were now asking the Government to exempt from duty was for sacramental purposes, it was an entirely different thing from the liquor traffic, against which he and his hon. friend had been doing battle during the discussion on the Temperance Act.

Hon. Mr. VIDAL said that he had always advocated the exemption from the operation of the Temperance Act wines used for sacramental purposes. It was the hon. gentleman from Amherst who had had a change of sentiment, because, from being an advocate of the use of beer and light wines, he had, within the past few minutes, given his assent to a measure which prohibited the use of beer, ale, or light wines by those of his fellow-subjects who happened to have a different colored skin.

Hon. Mr. ALLAN, from the Committee, reported the Bill with one amendment.

The amendment was concurred in, and the Bill was read the third time and passed.

BILLS INTRODUCED.

FIRST AND SECOND READINGS.

The following Bills from the Commons were introduced and read the first time, and, under suspension of the 41st rule, were read the second time:—

Bill (79) "An Act to incorporate the Northern and North-Western and Sault Ste. Marie Railway."—(Mr. Allan.)

Bill (23) "An Act respecting the Ontario and Pacific Junction Railway Company."—(Mr. Gibbs.)

FIRST READING.

Bill (81) "An Act with reference to the Andrew Mercer Reformatory for Females, and the Central Prison for the Province of Ontario."—(Mr. Aikins.)

PETROLEUM INSPECTION BILL.

COMMONS AMENDMENTS.

A message was received from the House of Commons, returning Bill (L) "An Act to amend the Petroleum Act of 1880," with certain amendments to which they desired the concurrence of the Senate.

Hon. Mr. AIKINS explained that the first amendment had reference to the gravity of oil, reducing it from 8.02 to 8.05. The other amendment was to provide for the erasing of the Inspector's mark on barrels or packages containing petroleum after they have become empty, so that they cannot be refilled with oil and sold without inspection. He moved that the amendments be concurred in.

Hon. Mr. DICKEY objected to the adoption of the amendments without further consideration. His impression was that the last amendment was a very arbitrary one, because it imposed a penalty upon any person, no matter how innocent, who might have in his possession an empty petroleum barrel from which the Inspector's mark had not been obliterated. If the party should sell the cask he (Mr. Dickey) could readily understand the reason for imposing a penalty for not erasing the mark, but why a person who kept such a cask, and perhaps used it for the purpose of collecting water, should be exposed to a penalty was a thing that required explanation. The object of erasing the mark was, no doubt, to prevent parties from sending such casks across to the United States, and having them refilled with inferior American petroleum.

Hon. Mr. Allan.

Hon. Mr. AIKINS said such casks might also be refilled with inferior Canadian oil, and as long as the Inspector's marks were on them it would be impossible to say whether the oil had been inspected or not. He thought the amendment was a reasonable one.

The amendment was concurred in.

THE VENTILATION OF THE PARLIAMENT BUILDINGS.

MOTION.

Hon. Mr. REESOR—Before the Senate adjourns I should like to call the attention of hon. gentlemen to the fact that nothing has been done during the present session towards appointing a Committee to inquire into the very unsatisfactory ventilation in portions of this building. This hall has been well ventilated, as, no doubt, all subjects have been that have been discussed in it, but it is a fact, nevertheless, that the corridors of the building and the committee rooms have been sometimes in a condition anything but healthful or comfortable to those who have had to occupy them. Although the session is near its close, I think it would be well to appoint a Committee to inquire into the causes of the impure air that is allowed to escape from some portions of the building and fill the corridors and rooms. I believe the Government intend to make some improvements in the building after the session. The object of the appointment of a Committee is simply to call the attention of the Government to the defects which experience in the use and actual occupation of the building have brought to light, and then leave the Government to take such action as they may deem expedient. I therefore move:—

"That a Committee be appointed to inquire into and report upon the cause of the unsatisfactory ventilation of the corridors and committee rooms connected with the Senate Chamber. The said Committee to be composed of the Hon. Mr. Brouse, Hon. Mr. Scott, Hon. Mr. Haythorne, Hon. Mr. DeBoucherville and the mover."

Hon. Mr. AIKINS—It has occurred to me that if my hon. friend had been extremely anxious to have the ventilation of the corridors improved he would have taken action earlier in the session, that hon. members might have been saved the inhaling of impure air. Parliament will prorogue in a short time, and it will not be possible for a Committee to give this important matter the attention that it should receive. I suppose the House is aware that the attention of the Government has been called in another place to the subject, and that a sum has been placed in the Estimates to cover the cost of such improvements as may be found necessary. I have no doubt the investigation which is to take place, and the improvements which are to be made, will extend to the whole building. There is no objection to the Committee.

Hon. Dr. BROUSE — I am sure that no member of the Government would object to some action being taken in this respect. Some two years ago, after coming to this House, and after having taken an active part in securing needed improvements in the other Chamber, I spent some time in passing through the various rooms in the attic of this part of the building. I found there a state of things that few hon. gentlemen are aware of. I found that one large duct conveyed all the impurities from the closets and chambers in which we occupy our time during the day, and the current passed out to the shaft. It was all right while the current passed outward, but, as we all know, certain changes in the atmosphere reverse the current, and when those changes occurred the impure air was carried back into our rooms. I called the attention of the engineer to the fact, and said it was a matter which should be brought before the House. He immediately placed the fact before the Minister of Public Works, who at once gave orders that the arrangements should be changed. The improvement was effected by constructing separate shafts from the closets, and ever since, when there are changes in the atmosphere, the impure air from them is not driven back into our rooms. During the last two years hon. gentlemen may have observed that the air in this part of the building has been better, but other changes are necessary. We find that impure air driven back into the closets has escaped into the corridors of the building, and this defect must be remedied. When attention was called to the subject of ventilation in the other House this session the Minister of Public Works asked Mr. Rochester to leave the matter in the hands of the Government, and they would be responsible for the proper ventilation of that House. If the Committee asked for by my hon. friend should be granted, I have no doubt they can bring facts before the Minister of Public Works with good effect, and I am sure that Mr. Langevin, who has shown himself so active in remedying the defects in the ventilation of this House to which his attention was called two years ago, will make such additional improvements as a committee of this House may represent to him are necessary.

The motion was agreed to.

The Senate adjourned at 4.45 p. m.

THE SENATE.

Wednesday, March 16th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

MONTREAL, PORTLAND AND BOSTON RAILWAY COMPANY'S BILL.

THIRD READING.

Hon. Mr. DICKEY, from the Committee on Railways, Telegraphs and Harbors, reported Bill (53) "An Act to amend the Acts incorporating the Montreal, Portland and Boston Railway Company," without amendment.

Hon. Mr. CHAFFERS moved the third reading of the Bill. The Bill was read the third time and passed.

NORTHERN RAILWAY INTERPRETATION BILL.

THIRD READING.

Hon. Mr. DICKEY, from the Committee on Railways, Telegraphs and Harbors, reported Bill (10) "An Act to remove doubts as to the true construction of section 12, of the Northern Railway Act, 1877."

Hon. Mr. ALLAN moved the third reading of the Bill.

Hon. Mr. VIDAL objected on the ground that there was another Bill relative to the same Company which would come before the House for its third reading to-morrow, and he thought the third reading of this Bill should be postponed to the same time.

Hon. Mr. ALLAN thought the objection a very extraordinary one. This Bill had nothing whatever to do with the other. It had been carefully considered by the Railway Committees of both Houses.

Hon. Mr. MILLER said the objection was an unusual one. The two Bills had no relation to each other.

Hon. Mr. VIDAL said he had expressed his sentiments in the belief that other members of the House had entertained the same objection. If, however, nobody else objected, he would withdraw his opposition.

The Bill was read the third time and passed.

SAVINGS BANKS LAWS AMENDMENT BILL.

IN COMMITTEE.

The House went into Committee of the Whole on Bill (83) " An Act further to amend an Act respecting certain Savings Banks in the Provinces of Ontario and Quebec, and to continue for a limited time the charter of certain Banks to which the said Act applies."

In the Committee,

Hon. Sir ALEX. CAMPBELL — When this Bill was read the second time I said that it was lacking in regard to the schedule calling for returns such as ordinary banks furnish, and I was of course then under the impression that that was a want that should be supplied ; but, on referring to the Deputy Minister of Finance, he informs me that the law already provides for such returns ; in fact they are furnished from month to month. I gave one to my hon. friend from Victoria to look at, and to ascertain whether in his judgment, and the judgment of other hon. gentlemen familiar with banking, any other detail was necessary. The returns are given under the Act, and include the following items : —

> " Deposits of the Federal Government, deposits of the Provincial Governments, other deposits payable on demand, Dominion Government deposits, Provincial Government deposits and other deposits payable after notice or on a fixed day ; special poor fund or charity fund trust, liabilities not included under the following heads."

So that all the particulars which we thought the other day should be supplied, seem to be already furnished from month to month, and are published in the *Canada Gazette.* It only shows that the *Gazette* does not reach the public to any great extent, when my hon. friend from Victoria was not aware of the publication. It is now suggested to me that, in addition to these returns, these banks should be compelled to publish a list of their shareholders, as other banks do. There is no objection to that, and I see no reason why they should not be furnished.

Hon. Mr. RYAN — Although the returns appear to be to a certain extent satisfactory, yet I think there is a great deal to be said upon the constitution of savings banks since they have become proprietary banks. I must confess, in view of the safety of the poorer classes, who trust all of their savings to the custody of banks of this sort, that every means to protect those depositors should be taken in legislating for so called savings banks. I think this is very essential, and I must say at once that I believe the custody of deposits of that character should be in no other hands than those of the Government, and that the Government should be accountable to these poor people for the safety of their savings. This would not only ensure a greater degree of safety to the depositors, but it would also be a very legitimate source of revenue to the country at large. I saw, by looking at a paper which fell in my way yesterday, a communication from Newfoundland, as follows : —

> "By virtue of an Act passed in 1870 to appropriate the reserve fund of the savings banks to the redemption of the public debt, the first instalment of $100,000 of that fund has lately been applied to this purpose, and debentures to this amount cancelled, thus effecting a reduction of $5,000 a year in the charge of interest."

Well, hon. gentlemen that seems a considerable amount for Newfoundland to make out of the administration of her savings banks, and I call the attention of the Government to the fact that it would be a very fair and legitimate source of revenue to the Dominion to take the savings banks into the hands of the Government, and administer them as a Government institution, a step which would also inure very greatly to the safety of the people making deposits. It might be said, and with a considerable degree of force, that those banks have already been granted charters, and it is impossible for you to sweep them away immediately; well, we are now come to a point where we are asked to renew charters for ten years, and it strikes me that to give charters for a shorter time, with an intimation that the Government were about to consider the propriety of taking the management of savings banks into their own hands hereafter, would be a very wise and excellent proceeding. In this case the Government would decide whether they should grant renewals of the charters for a certain period, say, two or five years, but even two years would be a sufficient notice to the banks which are now operating as the custodians of the savings of the poorer classes. It would be a notice to them that the Government intended to remove that business to their own custody, and the banks could make their preparations accordingly. In regard to the returns of some of the banks, one of them which the hon. Postmaster General was kind enough to hand me contains what I think requires explanation. Of course, I merely call attention to it now, because there is no time at present for examining into these things; and I really think that the officers of the Department to which these returns are made ought to look more closely into them, ask questions, and investigate the statements which come before them carefully. I find in one of the returns which the hon. Postmaster General was kind enough to show me that, under the heading "other assets not included in the foregoing," are "landed property of the bank, $339,882.59." That, to a bank having a paid up capital of only $600,000 seems to me to be a large sum to be invested in real estate. I admit this return does not say whether the real estate belongs to the bank or is held only as collateral security, but what I desire to call attention to is that in such returns I think banks should state whether the landed property they hold is held as collateral security or otherwise. These savings banks are invested with great powers and privileges. Originally, they were restricted in their investments to certain classes of securities chiefly Government securities, which was in the right direction but, by a subsequent Act amending their original Act, they were given the liberty of investing in all sorts of securities, and I may say there is always a temptation to a proprietary bank — whose interest it is to realize for its proprietors large profits — to invest in uncertain and speculative stocks, on which great profit or great loss may be made. I know it has been currently reported that banks of this description have from time to time invested in very doubtful and fluctuating stocks; I do not know of any particular case myself, but I have heard that complaint very freely made. Again, reverting to the return which my hon. friend the Postmaster General mentioned, I think that it would be advisable that it should state how much is advanced on landed property, and whether the landed property is taken as collateral or otherwise. There is another item, that under the head of Miscellaneous Assets. In this no explanation is given of what these consist of. Again, it might be well that a company of this sort, having advances for which bank stocks are held as security to the amount of $2,106,000 should have a larger paid up capital than $600,000. With regard to advancing on bank stocks, that is a privilege given to savings banks which none of the chartered banks possess; and I think the restriction, if it be necessary toward the regular chartered banks, should apply also to savings banks, whose transactions should be doubly scrutinized in the interest of the depositors. As the return before me stands, it shows advances of over $2,000,000 on bank stocks, against paid up capital of only $600,000. There is another point in which savings banks have a very great advantage over other banks, and which I do not see any good reason for their having; that is, that banks of this description are of limited liability, and that the double liability does not attach to them as to the other chartered banks. I do not see why banks of that description, particularly when they become proprietary banks, should be favored in that way when they are doing an almost similar business, with the exception of issuing notes. I merely offer these suggestions in reference to the Bill before the House, thinking that the time is come when it is well worth while to consider whether, in the first place, we should not put greater restrictions upon these banks as to the securities in which they invest; and, in the second place, whether it would not be well for the Government to consider the propriety of taking these institutions into their own hands, and, instead of renewing the charters for 10 years, to restrict their operation to 2, 3, or 5 years, as may be deemed advisable.

Hon. Mr. BUREAU — Is it provided in the Bill that these savings banks should be subject to any additional laws that may hereafter be passed by the Parliament of Canada?

Hon. Mr. RYAN — Yes.

Hon. Mr. BUREAU — In the charters of the other banks it is provided that they shall be subject to amendments to the general Act. It may happen that at some future period savings banks will be established by the Government in the different provinces. It would be a great benefit, and the matter has been spoken of often. Such a general act would then be passed and regulations wisely adopted for the security of the people of the country who might deposit their money in these institutions. If there is such a clause, I think there will be very little objection, at this period of the session, to adopting the Bill as it is.

Hon. Sir ALEX. CAMPBELL — There is such a clause.

Hon. Mr. TRUDEL — I have listened with the greatest attention to what ha fallen from my hon. friend from Victoria. I think the Government cannot be too careful in providing that those savings banks shall afford the best possible security for depositors, as the security of such institutions is a most important element in the general prosperity of the country. But, while it may be desirable that the Government should be careful not to give too much power to savings banks to invest in all kinds of securities, these institutions should not be too much restricted, as it must be borne in mind that in order to induce people to deposit their earnings in savings banks the banks must be in a position to offer a certain amount of interest. If they are restricted in such a way that they cannot invest their money to advantage they cannot offer to pay such interest on deposits as will induce the people to deal with them. I think that excess either way should be avoided.

Hon. Mr. SCOTT — I notice that this Bill proposes to deal with savings banks in Quebec and Ontario. Is my hon. friend aware whether the institution known as the Savings Bank of Toronto is still in existence, or what its present position is? In 1879 I think it was allowed to become absorbed into a loan company which was doing business as a savings bank under a charter from the Local Legislature; and it seems to me to be a rather anomalous position. This Bill professes to deal with savings banks of Ontario. I know of no other savings bank in Ontario but that one, and it certainly occupies an anomalous position, as the Local Legislature has no power to grant charters to savings banks. Yet, this local company, holding a local charter, has purchased by the authority of the Federal Government this Toronto Savings Bank, and, I am told, is carrying on a savings bank business under its local charter, designating itself as the successor to the Toronto Savings Bank, and using the words "savings bank" in its corporate title. I desire to call the attention of the Government to it, that they may ascertain, if necessary, whether this Company is carrying on business improperly or not. I understand that they have made no returns, and that they are practically doing business in defiance of the Parliament of Canada. As a savings bank, they are bound to make certain returns; they have made no returns, and they shelter themselves under the plea that they hold their charter under the Joint Stock Companies Act of Ontario. I call attention to it because I think it is highly important that the Company should not be allowed to carry on a savings bank business except under proper restrictions and in compliance with the law.

Hon. Sir ALEX. CAMPBELL — I think that the statement made by the hon. gentleman is perfectly correct, and that this bank is in an anomalous position, and is doing business under an assumed right acquired from the Ontario Legislature, which assumed right does not give it the powers it is exercising. We hope to be able to reduce the matter into order, and to be able, with the law as it stands, at all events to test that question, and I apprehend that the bank will not hold out, or will not refuse to submit to laws enacted by this Parliament. I will take care that special attention is given to it in the Finance Department, and I have strong faith that they will be able to make them comply with the law of this Parliament.

Hon. Mr. SCOTT — The charter was granted to certain gentlemen who took stock, but it states on the face of the charter that they have not paid anything on it. It seems an extraordinary thing to give a charter to a Company when the incorporators have not paid up even a portion of the capital.

Hon. Mr. ALLAN — I would like to ask the leader of the Government whether, as this Act is worded, it might not in some way recognize the existence of the Toronto Savings Bank. The Toronto Savings Bank had their charter extended to 1882, by the Act passed in 1872, and subsequently, in 1879, they got an Act enabling them, if they chose, to transfer all their assets and securities over to this Home Savings and Loan Company. In this Bill reference is made to savings banks in Ontario and Quebec, and this Toronto Savings Bank is expressly named.

Hon. Sir ALEX. CAMPBELL — I do not think this Bill recognizes it in any way, but I do not consider there would be any evil, even if it did recognize it, because the wish of Parliament would be to make it conform to the laws to which other banks yield. If my hon. friend will look at the Bill, he will see that no special bank is mentioned at all. It so happens that that is the only savings bank in Ontario, but it is not recognized in this Bill in any way.

At the time the Act to which my hon. friend refers was passed, there was another savings bank in Ontario — the Northumberland Bank — but it has gone out of existence.

Hon. Mr. ALLAN — I was under the impression that the Toronto Savings Bank was specially named in the Bill.

The clause was adopted.

On the 5th clause,

Hon. Mr. DICKEY said: I would like to call the attention of the leader of the Government to this 5th clause, as it is of some importance. In fact in it is the essence of the whole Bill. I fear that I have but a very imperfect knowledge of the details of this question, but there are certain general reasons which ought to commend this clause to the careful consideration of the House. It is perfectly true, as has been stated by my hon. friend from Victoria, that there is no other question on which we should exercise greater care in legislating, because the operations of those savings banks affect the interests of people who have no means whatever to protect themselves. They must rely upon the protecting care of Parliament to secure their interests. It is only necessary to look across the border and see what has been the result in the last two or three years in the City of New York and elsewhere in the United States, and, to some extent, in some parts of England, as to the operation of some of those savings banks, and the fearful result of mismanagement, or perhaps something worse, to people who have no means of protecting themselves. Now, I make that general observation in application to this particular section. Then there is the other question of the extension of the liability of the shareholders. I confess it is surprising that we allow these banks to operate with the single liability, whereas we require for the protection of the public from other banks at all events a double liability. Now that is germane to the question to what extent we should continue this legislation. It appears to me that the position of the matter is just this: These laws would have expired last year, but they were continued for a period of one year to give an opportunity to Parliament to consider the question. It is quite impossible to take up this matter in its fulness at this period of the session, and I have thought, in view of all that has been said with regard to the results of this legislation upon the persons who deposit their savings in these banks, which are supposed to be safe, and ought to be made safe; if they are not so, it would be well for the Government to hold this question in reserve, and not to grant such a long extension as ten years, but follow the precedent of last year and extend the Act for a period not exceeding one year, or if possible not exceeding two years. That would give an opportunity to the Government to take the whole question into consideration and bring forward such legislation as to make those savings banks really what they profess to be—security for the depositors. Under these circumstances, I think my hon. friend ought not to press this section, but limit its application to a period of one year if possible.

Hon. Sir ALEX. CAMPBELL — The provision last year was made with the view of having the matter considered in the interim. It has been considered, as far as the Government is concerned, by the Minister of Finance, and to the best of his judgment the true way in the interests of depositors and of the people who do business with savings banks is to give such banks a more permanent standing than they can have by holding charters only for one year. Those savings banks have been going on in Canada for a number of years, both in Ontario and Quebec, and, so far, no loss has been sustained by people who have deposited their money in them. The bank to which my hon. friend from Victoria refers has been doing business in Montreal for a number of years, and no stoppage has occurred, and no losses have been sustained by depositors. The Savings Bank of Northumberland did business for a number of years successfully, and when it wound up it divided a considerable sum of money amongst institutions in the district in which it was situated. A large sum was given to the County Council for educational purposes, and other donations were made by the bank when it was wound up. The bank in Ontario has also been doing business for a number of years without injury to those who did business with it. Depositors, however, are not driven to those savings banks. They have Government savings banks, and post office savings banks in all the large cities and towns and many small places in the Dominion. If they prefer the security of the Government to that of private savings banks they can have it. If they prefer to deposit their money in the chartered banks they can do so; but unless you give those institutions some more permanent hold upon the public than the renewal of their charters from one year to another you do them harm, and in doing them harm you injure the depositors. If we take our past experience we will find that there has been no cause for alarm to anybody on account of those banks. They ought, however, to be placed on a more permanent footing. That is how it appeared to the Finance Minister, and it seems to me that is the safest way to leave it.

Hon. Mr. DICKEY — It is fortunate that no loss has hitherto occurred to depositors, but, unfortunately, we cannot foresee when a disaster may happen, and generally there is very little notice of such a change in the condition of things beforehand. I am not quite sure, from the information we have had, that some of those saving banks have all their securities in just the position that they ought to have them. The object of my suggestion has evidently not been appreciated by the hon. gentleman. My idea is that the Government, unless they are prepared to say that these banks should go on with a single liability, should take it into consideration, with the view of altering the legislation for those banks. If they conclude to extend these charters for nine or ten years after what has been stated here to-day, it is very unsatisfactory that they should continue to do business under the present system. That is my view of it; but, of course, I am not prepared to give a positive opinion as to what ought to be done. Time ought to be given to enable the Government to change the legislation, so that those banks could not have power to say, after their charters had been extended ten years, that Parliament has sprung upon them other arrangements. We should be in a position to say, "Your charter will expire in another year, and we wish to make those changes," and then the matter could easily be arranged. I think that would be a much better way than to extend their present charters for another period of ten years.

Hon. Sir ALEX. CAMPBELL — The double liability clause is only imposed because the ordinary banks have a circulation. The bills of ordinary banks go into circulation, and every one gets them without any immediate thought or consideration, and they pass from hand to hand. Therefore, there is this protection given of double liability. But the savings banks do not issue bills at all, and those who go to deposit know what their security is, and they do not expect to have any double protection. I do not think there is any precedent for a double liability clause except in banks that have a circulation.

Hon. Mr. HOPE — I think the day has gone by for this class of savings banks. They did very well in a former period of the history of the country. As far back as 1846, there was an Act passed by the Parliament of Canada authorizing the formation of savings banks. They were constituted on a very primative principle. They had no capital, and the only security depositors had was the security of their own money. I was connected for several years with a savings bank in the west. It was a very profitable one, and after winding it up the trustees handed over a considerable sum of money to a prominent charitable institution of the district. But savings banks now-a-days are expected to have capital, and the Government hitherto has bound down all the savings banks connected with loan societies or institutions of that kind not to take deposits exceeding the amount of their paid up capital. There is the security to the public who deal with these institutions, and the old fashioned system of savings banks without other security than depositor's own money has gone out of existence. I understand from what the leader of the Government says that there is no savings bank in existence in Ontario, that it has been absorbed by another institution. I am surprised that that they would presume to take deposits under their Ontario charter. There was another instance of that in our neighbourhood. A company put up the words "Savings Bank" on their office, and began to take deposits; but they were notified that if they did not take down their signboard, complaints would be made to the Finance Minister at Ottawa, and they took down their sign accordingly and discontinued taking deposits. I think the country is pretty well provided with savings banks. There are Government savings banks by way of post office savings banks, and also loan societies' savings banks. There must be $10,000,000 deposited in those saving banks in Ontario. If anything could have been done to have placed these savings banks upon some permanent foundation I think it would have been well in the public interest to have done so.

The clause was agreed to.

Sir ALEX. CAMPBELL moved the following as a sixth clause to the Bill:

Clause A.

"6. The said banks shall each of them furnish annually to be laid before Parliament within fifteen days after the opening of each session, certified lists of the shareholders, with their additions and residences, and the number of shares they respectively hold."

Hon. Mr. SCOTT — "And the amount paid on each share" should be added.

Hon. Sir ALEX. CAMPBELL — Yes, that might be added.

Hon. Mr. HOPE — Might I ask the hon. the leader of the Government the amount of stock of these banks in proportion to the paid up capital?

Hon. Sir ALEX. CAMPBELL — Yes. The capital stock of the Montreal City and District Savings Bank is $2,000,000; the paid up capital is $600,000; the amount of their deposits is $4,761,462; amount of Government deposits payable on demand $126,937; total liabilities $5,356,361. I suppose it is somewhat the same with respect to the different loan companies in Ontario which enjoy large deposits.

Hon. Mr. HOPE — But the deposits of the Permanent Building Societies cannot exceed the amount of their paid up capital, while this savings bank has in deposits nearly nine times the amount of its paid up capital.

Hon. Mr. McMASTER — They cannot exceed their paid up capital. Besides, the unpaid amount remaining on their mortgages must be sufficient to pay all their liabilities.

Hon. Sir ALEX. CAMPBELL — Looking at the securities which this bank holds, viz. : Dominion securities, $893,015 ; loans for which bank stocks are held as collateral security, $2,106,565 ; loans for which other stocks, bonds or debentures authorized by law are held as collateral security, $1,503,613 ; cash in hand, or on deposit on call in chartered banks, $885,030 ; landed property of the bank, $339,882 ; miscellaneous, $120,971, etc., I do not consider the deposits are too large.

The clause was adopted.

Hon. Mr. LEWIN, from the Committee, reported the Bill as amended.

The amendments were concurred in, and the Bill was read the third time and passed.

CREDIT FONCIER FRANCO-CANADIEN BILL.

SECOND READING.

Hon. Mr. GIBBS moved the second reading of Bill (31) "An Act to enlarge and extend the powers of the Credit Foncier Franco-Canadien." He said : Perhaps it is well I should make a few observations, in answer to some objections that were raised the other day, in explanation of some features of this Bill. A misapprehension appears to have taken possession of the minds of hon. gentlemen that it is the intention of this Bill to re-enact the legislation of the Province of Quebec. If hon. gentlemen will turn for a moment to the preamble, and also to the first clause of this Bill, they will find that reference only is made to this Company being incorporated in the Province of Quebec, under the name of the Credit Foncier Franco-Canadien. Then the first clause enacts that :—

> "1. It shall be lawful for the Corporation created and constituted under the name of 'Credit Foncier Franco-Canadien' by the statute of the Province of Quebec cited in the preamble, to exercise the powers hereinafter mentioned, in every part of the Dominion of Canada."

It will be seen, therefore, that the enacting clause of this Bill is merely intended to apply to every part of the Dominion of Canada, and that it has no reference whatever to the legislation of the Province of Quebec, except in so far as the preamble recites that this Corporation has already obtained an Act of Incorporation in that Province. I make this observation because the question was asked the other day if it was the intention, in this Bill, to reenact the legislation of the Province of Quebec. My hon friend near me stated that there were some extraordinary provisions in this Bill, and I presume he referred to the 13th clause, and the manner in which the Corporation may borrow money, the amount of which loan is limited to five times the sum of its paid up and unimpared capital. It was somewhat different in the Province of Quebec. The powers are somewhat more extensive than in this Act, but this clause simply asks that the Company may have power to borrow money to an extent not exceding five times their paid up capital ; a provision to which, I take it for granted, no hon. gentlemen can object. Then it goes on to say : —

> "13. The Corporation may, from time to time, borrow money to an amount which shall not exceed five times the amount of its paid up and unimpared capital ; and it may, for that purpose, execute, negotiate and issue obligations or bonds or debentures ins sums of not less than five hundred francs, French currency, redeemable either at a fixed period or within a definite term by means of drawings with or without premiums or prizes. It may stipulate and pay on the obligations or bonds or debentures which may be issued by it any rate of interest that may be lawfully taken by individuals at the place where they are issued."

There may be, perhaps, two methods of raising money under this clause unknown not only here, but I believe in the United States or any part of this continent. It has been adopted successfully, however, in the older countries of Europe, particularly in France, where it is intended to raise the capital with which to carry on the operations of this Company. The first provides that it may raise money by way of bonds, issued either with or without premiums. The Company or the

Government, or whoever may issue these bonds, indemnify themselves by issuing them at a lower rate of interest than money is worth. In the United States I believe it is the custom to issue bonds, redeemable in this way, by means of drawings; the other is perhaps one which may be looked upon as a little more unusual than the one to which I have alluded, that is, the issue of bonds to which prizes are attached which may be drawn, and these bonds may be issued at a certain rate of interest, usually less than the market rate; and the prizes are given to the few bond holders who may draw bonds to which such prizes are attached. With the exception of this clause, I am not aware that there is any extraordinary provision in the Bill, or any that will cause hon. gentlemen to make serious objection to its passage through this House. As to the constitutionality of the question — if that comes up — I must leave it to be dealt with by hon. gentlemen who are more competent to discuss it than I am. Being a layman, I do not profess to be competent to deal with that matter, and, while the best minds of the country are often divided on that subject, I may be excused from offering an opinion on it. I therefore move the second reading of the Bill.

Hon. Mr. DEBOUCHERVILLE — Before offering the amendment which I propose to submit to the House, I wish it to be understood that I am far from being opposed to either of the Credit Foncier Bills which are before the Senate, and I should be happy if, instead of having two such institutions, we had ten or more established in this country. The greater the competition, the lower will be the rate of interest charged to borrowers; but, while it is desirable to have these Credit Fonciers in this country, it is necessary that their charters should be constitutional and valid. Otherwise, they would be of no use. As these Companies are large borrowers, as well as large lenders, disastrous effects would follow the granting of a charter which would be found to be unconstitutional.

Hon. Mr. PENNY — Disastrous effects to people in another country.

Hon. Mr. DEBOUCHERVILLE — If by our legislation, or the legislation of

our local legislatures, disasters should befall the people of another country, we would be responsible for it, if not in money, at least in honor. The Bill before us asks that the Credit Foncier Canadien-Francaise may have an extension and enlargement of its charter. It is necessary for us to know what this Credit Foncier is. It is a Company incorporated by the Quebec Legislature. For my part, I have grave doubts as to the constitutionality of that charter. I know that the cry has been raised, particularly in the Cities of Montreal and Quebec, that there is a tendency towards centralizing power at Ottawa, and denying the local legislatures the urisdiction which the British North America Act confers upon them. Now, I am second to none in my desire to uphold the rights and privileges of the local governments, but I am also one of those who believe that if we stretch those rights too much they will break. Therefore, every friend of our local legislatures should endeavor to prevent them from enacting laws which are *ultra vires*. I think, and I was glad to hear the promoter of the Bill admit to-day, that there is a great diversity of opinion in the country on this question.

Hon. Mr. GIBBS — I did not refer to this question particularly, but to constitutional questions in general. I referred to it because the hon. gentleman had raised the constitutional question yesterday, and I said that I would leave the discussion of that point to others.

Hon. Mr. DEBOUCHERVILLE — On this very question there has been a difference of opinion in the other House, and grave doubts have been expressed by gentlemen holding high positions in the legal profession, as to the constitutionality of this measure. Now, this Credit Foncier was incorporated by an Act of the Quebec Legislature in 1880. In passing that Act, I think, they exceeded their powers, because, in the first place, this Corporation is in the nature of a bank. It is not more than thirty years since institutions of this kind were first established in France. In 1852 or 1853 there were three of them in that country, and the principal one was known as the "Banque du Credit Foncier." I do not know the English meaning of the term.——

Hon. Sir ALEX. CAMPBELL — "Bank of landed credit."

Hon. Mr. DEBOUCHERVILLE—At all events, it had the name of a bank. When the Government of France consolidated those institutions, it assumed the right to name their principal officers. Having already the same powers in the Bank of France, they probably thought it would not do to give it the same name, and so they called it the "Credit Foncier." Hon. gentlemen may think that a bank must necessarily issue money, but in other countries (France for instance) there are many banks which do not issue notes as our banks do; but if this Credit Foncier does not issue bank notes it issues what I would call promissory notes. In the English copies of the Bill these are called "obligations or bonds," but in the French edition, which is copied from the French law, they are termed "lettres de gage." What are these "lettres de gage"? They are certainly in the nature of promissory notes, though not payable on demand as bank notes are. The 14th sub-section of the 29th section says: "the creation and issue of obligations or bonds." The word "obligation" is always put for "lettre de gage," but hon. gentlemen must not be misled by the translation. The Quebec Act says: "The obligation shall be payable either to order or to bearer." This, I think, indicates that the institution is of the nature of a bank, and, therefore, under the British North America Act, can only be incorporated by an Act of the Federal Parliament. Another objection to the Bill is this: by an Act passed in 1871 Canada established the dollars and cents currency as the sole currency of the Dominion. By this Act this Company is authorized to require payment of stock in a different currency. The fifth section says: "The capital stock shall be 25,000,000 francs, French currency." That is establishing a new legal tender, which can only be done by an Act of the Federal Parliament, and, therefore, I think the Quebec Legislature has exceeded its powers. Again, under the British North America Act the local legislatures can incorporate companies for local purposes only, but this Act incorporates a Company which extends beyond the Province of Quebec and beyond the Dominion. The principal Board of the Credit Foncier will be in Paris, and loans exceeding, I believe, $20,000 can only be allowed by that Board. Now, it seems to me, this is something more than interprovincial; it is international, and certainly if any legislative body in Canada has power to deal with such a question it is the Federal Parliament. There is another clause which I think interferes with existing treaties. The last clause of the Company's Quebec charter binds the Quebec Government not to authorize the formation, within the limits of its territory, for fifty years after the final organization of this Corporation, any other landed credit company having a representative in France. What does this mean? That French capital cannot be invested in mortgages in Quebec, except through this Credit Foncier. I doubt if even the Federal Government has the right to say that all French citizens or subjects, who, by treaties with England are on a footing of equality in England, and its colonies, shall not do business in Canada except through a certain Company which has been incorporated by a local government. To this point I would direct the special attention of the Government. It seems to me I have shown that there are grave doubts whether the Quebec Legislature had the right to grant this charter. I wish to have this Bill and the Quebec charter referred to the Supreme Court for their opinion. It may be objected that we cannot send the Quebec Act, but I think it is clear that we can do so under the 55th rule of this House, which is founded on the Supreme Court Act of 1875. That rule is as follows: —

> "55. Before the second reading of any Private Bill, the same may, if the Senate think fit, be referred to the Supreme Court for their examination and report, as to any point or matter in connection with such Bill expressed in the order of reference."

The charter of this Company which is now before us is certainly a matter in connection with the Bill, and I, therefore, move: —

> "To leave out all the words after 'be' and insert 'not now read the second time, but that it be referred, together with the Act of the Legislature of the Province of Quebec, chap. 60, 1880, incorporating the Credit Foncier Franco-Canadien, to the Judges of the Su-

preme Court for their opinion on the constitutionality of the bill, and also the said Act of the Legislature of the Province of Quebec.'"

Hon. Sir ALEX. CAMPBELL — I do not agree with my hon. friend who has raised the constitutional question with reference to this Bill. It is not, as my hon. friend seems to think, a re-assertion of the powers of the Quebec Legislature. There is nothing in this Bill which affirms, directly or indirectly, that the Quebec Legislature had the power to pass the Bill which they did pass, and which my hon. friend thinks was outside of their jurisdiction. The Bill before the House avoids that difficulty (if it was a difficulty) very carefully, and, although it refers to what has been done in the Quebec Legislature, it does not affirm in any way that they had the right to enact the provision to which my hon. friend objects, nor does it affirm that they had not the right. On the contrary, it asks Parliament, in clear and distinct language, altogether apart from what has been done in Quebec, or anywhere else, to enact certain things. Now, my hon. friend does not suggest that they are beyond the jurisdiction of this Parliament at all, but he seems to fear that by this Bill we may be asserting or affirming the right of the Quebec Legislature to do that which they have done, and which he thinks is outside of their powers, but if he looks at the Bill he could see that certain powers are given to this Corporation. In the first place they are given the name of the Credit Foncier Franco-Canadien; they are authorized to lend money on real estate, on bonds and on mortgages; to lend money to corporations, to acquire bonds, to make loans on bonds and public securities, and to take security on real estate, etc.; they are authorized to have branches and agencies, and to have advisory boards; arrangements are made for the rate of interest and sinking fund. Now, these are powers which this Parliament has a right to give to this Corporation or anybody else. We find the Credit Foncier in existence, and we say that the Company shall have power to issue bonds and do this, that and the other. My hon. friend's contention is that the Company should have come here in the first place, and not to the Quebec Legislature. Well, supposing he is right, and they did wrong to go there, it does not affect the right of this Parliament to legislate? On the contrary, it would be an argument to say that they have now done right, and come where they can get power to transact their business. There may, perhaps, be a good deal in the points which the hon. gentleman has raised. If they were raised in the Quebec Legislature, there might be many doubts there, and it might be very well that those doubts should be determined by a proper tribunal, but here those doubts do not come into play; therefore, I do not think it is necessary to discuss them with the hon. gentleman. I do not agree with him in very many of them; I do not know that I do in any of them, and I think there is an obvious answer to the difficulties which have suggested themselves to his mind. We are giving distinct powers, expressed in distinct language, with reference to a Company incorporated in the Province of Quebec, and it is quite open to us to do so.

Hon. Mr. FERRIER — The objection is that the Quebec Legislature has given them an existence, and we are receiving them as a corporation which has been created by that Legislature. It appears to me that if my hon. friend is right, they have gone beyond their jurisdiction in granting that charter, and we are now asked to enlarge and extend the powers of a Company which ought not to have an existence. That is the way I view it. I have seconded the motion in order to have the question of jurisdiction settled by the only tribunal competent to render such a decision.

Hon. Mr. DICKEY — I am afraid that by passing this Bill we will be placed in a dilemma which certainly has not been removed in my judgment by the remarks of the hon. the Postmaster General. What is the title of this Act, and what are its objects as explained by the preamble? It is an Act to enlarge and extend the powers of the Credit Foncier Franco-Canadien, of which the preamble expressly states that it was created by an Act of the Legislature of Quebec, and the enacting clause goes on to say that it shall be lawful for the Corporation created and constituted under the name of the Credit Foncier Franco-

Canadien by the statute of Quebec cited in the preamble, to exercise certain powers. The whole foundation of this legislation lies in the fact that it states distinctly it is created by the Province of Quebec; and, therefore, it is a confusion of terms to say that the Act of the Province of Quebec has nothing whatever to do with this question. It has everything to do with it; it lies at the foundation of the legislation proposed, and I will state presently to what an absurdity we shall be led if we take any other view. Here is an Act granting certain powers to a Corporation, constituted how? Without any capital? There is not a single line in this Bill that requires the subscription of a farthing of capital, except what the Act passed by the Local Legislature of Quebec provides. Therefore, it is a mere paper corporation without any powers at all, and without any organization, except what has been given by the Act of the Province of Quebec. We propose to validate that Corporation, and say it is a Corporation created and constituted by a statute of Quebec. So it appears to me that it is only confusing our minds to say that the Act of the Legislature of Quebec has nothing to do with it, because without it this is a Corporation without any capital stock whatever, and without any provisions for organization, and it is the first time I ever heard of such a measure being submitted to Parliament. This Bill, standing by itself apart from the Quebec Act, must be remodelled. We, surely, will not create a huge corporation like this, with such enormous powers, without the necessity of a single farthing of stock being subscribed. The mover of the Bill is reduced to this dilemma. He says that the Act of the Province of Quebec has nothing to do with it. Without the Act of that Province we shall be required to go into this legislation, and provide for capital stock, and make other regulations for the organization of this Company, as well as provisions to protect the public. Now, with regard to that very point of the capital stock, the fifth section of the Quebec Act, which creates it, is a singular one. It creates capital stock which may be indefinitely increased in amount. I never heard of such powers being given to any association. It has an indefinite power to increase the capital stock to any amount. If we desire to make this Bill similar to others that have come before us, we shall be obliged to go into that question and limit the increase of capital stock; but at present, if we are told that the statute of the Province of Quebec has nothing whatever to do with this question, we are reduced to this dilemma, that we create a mere paper organization without any bottom to it, and if the Quebec Act is incorporated in this Bill, it is open to the most serious objections. Something has been said about this legislation as to whether it should be Dominion or local. I think it is impossible to have a doubt upon that point. What have we been doing to-day? We have been legislating upon institutions analagous to this very one; because these savings banks in Ontario and Quebec are nothing but loan societies without the guards with which this Parliament has surrounded those societies. Every year we are legislating on these subjects, and incorporating and regulating loan societies which have not the extensive powers that we are asked by this Bill to confer upon the Credit Foncier, but powers of loaning and investing. This Parliament has always claimed control over them, and how is it we are going to yield to the argument and say that the Province of Quebec would have power within that Province to enact such a law as this empowering the Company to do business in France and elsewhere, unless we are are prepared to say that the legislation we have been engaged in for the last twelve years has been entirely *ultra vires.* On the face of this Bill, as it stands, we have that authority, and that certainly is a question of principle that we ought to be prepared to give an opinion upon. We have a Bill which asks us to empower this Company to borrow to the extent of five times its capital. I believe, with regard to these permanent loan societies the utmost we have ever done has been to give them power to borrow to the extent of twice their paid up capital. But, apart from that, what capital has this Company? There is no capital mentioned in this Bill. You only get at that by referring to the statute of Quebec, which we are told has nothing to do with this Bill, and we must go there to find it. This brings the statute of Quebec into this Bill, because it is stated that this Bill is to enlarge and extend the powers of that Act. It is impossible to escape that conclusion. Then, what more? This Parliament is asked for the first time in the history of the Dominion to sanction a species of gambling, financial speculation and lotteries. I am not going out of this Bill now. I am taking the two or three sheets of paper of which this harmless little Bill is composed. The 13th section is as follows:—

> "13th. The Corporation may, from time to time, borrow money to an amount which shall not exceed five times the amount of its paid up and unimpaired capital; and it may, for that purpose, execute, negotiate and issue obligations or bonds or debentures in sums of not less than five hundred francs, French currency, redeemable either at a fixed period or within a definite term by means of drawings with or without premiums or prizes."

Now, I ask if there ever was such legislation presented in this House? I think no such legislation will ever pass the Senate for this or any other Company, because we should then be lending our authority to gambling speculations unworthy of this House or of Parliament. My hon. friend's criticism about this question of currency is perfectly correct. He says we are asked to legislate and to establish a currency of francs. We have a currency of dollars and cents, and I am not aware that there is another Act in the statute book, or any bill that has even been presented in this Parliament asking that business should be conducted upon a basis of francs, and that bonds should be issued payable in a foreign currency. Yet both this Bill and the Quebec Act go to establish francs as currency of Canada. The people of this country are not familiar with that currency. We are constantly obliged to go back to the Quebec Act to find out what this Bill means. How are the people of this country to go into a calculation to convert the currency established by this Bill into the common currency of the country? We get afloat at once on a sea of uncertainty, and it would never do, I think, to pass such legislation, which would leave borrowers at the mercy of this French Company. I make that objection apart altogether from the objection which my hon. friend has raised that we are actually incorporating a Company to do business in another country. Besides, there are some other and most extraordinary provisions in this Act. One of the powers asked is to make loans to the Government of Quebec — to make loans to governments in the circulating medium of this Company, that is to say, their bonds. It will be found in section 2, sub-section 7. Now, if the House will be kind enough to turn to section 78 of the Quebec Act, they will find that this idea is brought out more clearly, and that the loans may be made to municipal school corporations, and church trustees, either in cash or the bonds of the Company. The bonds of the Credit Foncier are to be used as circulating medium, and it becomes a most important question for this Senate, who have always been the guardians of the people to whom such loans are made, and especially of such bodies as municipal and school corporations and church trustees, that we should see that by no sanction of ours is this Company permitted to make loans in its bonds, and to hand over their bonds as circulating medium to innocent people. It is a monstrous proposition which I hope this House will never sanction. Now, it is a curious thing that when calls are not paid up in shares they are sold in France, not in this country — the poor, unfortunate shareholder in this country has not even the protection of having the business done in his own country; on the contrary, the whole thing is to be done in France. There is another very extraordinary feature about this in clauses 72 and 73:—

> "The borrower is to inform the Company of any total or partial conveyance he may have made, and in default the Company has a right to exact repayment of the loan, with three months' additional interest. The same penalty applies to a borrower who within a month fails to inform the Company of any deterioration of the property."

If the shingles on a man's roof get out of order he is obliged to inform the Company, under what penalty? If the deterioration should be of a serious character the Company may exact the repayment of the balance of the loan. These are specimens of the sort of powers that it is proposed by this Bill to enlarge and extend to the whole Dominion. Be another section — the 87th — all the costs and expenses attending any application for a loan are to be paid by the applicant whether he succeeds in getting the loan or not.

Hon. Mr. SCOTT — It is done by other companies.

Hon. Mr. DICKEY — I know it is not usual among individuals. If this Bill becomes law you are going to establish a huge institution in the Dominion for the purpose of getting hold of the lands of this country, because there is power given here to subdivide into districts any province of the Dominion, and in each of those districts they are entitled to hold $25,000 worth of real estate. If you multiply that amount by the number of divisions and subdivisions these gentlemen are empowered to make you will find that it amounts to millions. My hon. friend has already referred to the privilege that is to be recognized, if we adopt this legislation, of exclusive rights for fifty years, in the Province of Quebec, at all events. How far that might be construed to extend to other parts of the Dominion where this Act is to be in force I do not undertake to say. This is the first Bill that has ever been presented to this House to extend these extraordinary powers or any analogous powers throughout the whole Dominion. There are some of us, at all events, from Nova Scotia who think the privilege, beneficent as it may seem to some people, of allowing the people to borrow money at six per cent., with compound interest on that money every half-year, is not an unmixed gain to the people of that Province. We have been reminded frequently in this House that corporations have no souls; we know, at all events, that they have no bowels of compassion, and this Company will deal with the people of this country in a manner very different from what they have been accustomed to. In Nova Scotia parties have very little occasion at present for borrowing money, and if they do require any they can get it from local sources without, in many cases, going to the banks, of which we have a great many in that Province, but I would say, speaking from my own experience, it is seldom that the interest is paid as it becomes due. We know practically what that means. The party gets extensions of time for months or years, until the patience of the lender is worn out, and he is obliged to call in his security. But this Company, doing business in a strict manner, would be in a position to foreclose and take the property from those persons who could not pay their interest punctually. Is that a state of affairs that it is desirable to introduce in this country? We know what have been the results of analogous cases in Ontario. We know the results of the operations of loan societies to which my hon. friend behind me (Mr. Read) called attention on a former occasion. I have no doubt he has felt for others, if not for himself, the sting of the action of those societies, but it is now proposed to incorporate a huge Company with these enormous powers and extend it over the whole Dominion. In Nova Scotia we are peculiarly situated. In Ontario they stand in a very different position,' because they possess a country where they are able, when occasion requires, to sell a portion of their property and pay off their debt; but in a great many parts of the Province from which I come the greater part of the land is held by people who have little means, and if they borrow money upon a property, and are called upon to pay interest punctually or have their mortgages foreclosed, in nine cases out of ten they would lose the property. I do not wonder, under the circumstances, that the Corporation asks for power to hold $25,000 worth of property in each division and subdivision within the bounds of its incorporation. I, therefore, think, that this is not a bill that ought to be entertained in this House. If there be any doubt as to its constitutionality, that doubt can be removed by referring the question to the judges of the Supreme Court. Therefore, I, for one, am prepared to support my hon. friend in his contention, and I do ask this House to pause before they grant a second reading of this Bill, and establish a precedent in legislation which has never yet been made in this country. I think that the considerations which have been submitted to the House are sufficient to induce us not to grant the second reading of the Bill, but to assent to the motion of my hon. friend, and see whether this Bill is not bound up in the Quebec measure, and to see whether they are not part and parcel the same legislation, and whether, under the circumstances, this is legislation which ought to pass this House.

Hon Mr. TRUDEL — The hon. mover of this amendment has been exceedingly unfortunate in the way he has chosen to question the constitutionality of those Bills. It is to be regretted that he has thought it advisable to question the right of the Province to pass such legislation. I am ready to admit that these Bills have given rise to some doubt as to their constitutionality, but it is not in the sense advocated by the hon. gentleman who moved this amendment, and by the hon. gentleman from Amherst. Everybody knows that the people of the Province of Quebec have very strong reasons to maintain their provincial autonomy. They are well aware that, if we now enjoy such privileges as we have under the constitution of the Dominion, it is due in a great measure to the fact that Quebec had special institutions and laws which the people of that Province were anxious to preserve. Confederation was accepted, because it was perfectly well understood that a certain class of subjects, such as civil rights and property and matters of similar import were specially reserved for the exclusive control of the local legislatures. I know there is a tendency in the Dominion towards making the laws of the country uniform. I understand that there are for a part of people of the Dominion strong reasons to desire that uniformity, and I suppose it will be equally well understood and acknowledged that there are still stronger reasons for the people of the Province of Quebec to hold views to the contrary. The hon. gentleman from Montarville has raised the question as to whether the local legislature had a right to grant such a charter as the one alluded to — that is the charter of the "Franco-Canadien Credit Foncier." If I heard the hon. gentleman raise the same doubt as to the power of the Dominion Parliament to legislate upon such questions, then I could understand the position taken by him; but, when his objections are urged against the power of the Province to grant such a charter, I repeat that I cannot understand how he can reconcile his great desire — and I know that he is desirous of preserving the rights of his Province — with the position he takes to-day. I do not like to trespass upon the time of the House, but this question is of so much importance, and the right of the Province to legislate on such questions has been so freely denied (I think the hon. gentleman from Amherst went so far as to say that it was absurd to pretend that the local legislatures have such powers), that it is my duty to say a few words more on the subject. It will hardly be necessary for me to refer to the British North America Act, its different sections are so well know to hon. gentlemen in this Chamber; still, I may take the liberty of calling their attention to the different sub-sections of section 92 — amongst others to sections 8, 11, 13 and 16. In all these sections it will be seen that the intention of the framers of the Act was to give the local legislatures the right to legislate on municipal matters, civil rights, property, and generally on all matters of a local and private nature. I will ask the hon. gentleman what is the nature of the business to be transacted by such a Company as this? Is not this a landed credit Company, that is, a Company for the purpose of loaning money to farmers and real estate owners, transactions which are regulated by the civil law of the Province?

Hon. Mr. DICKEY — Doing business in France.

Hon. Mr. TRUDEL — Whatever places the capital comes from, and I will tell the hon. gentleman that I am not now going into the details of the Bill, but I am discussing the principle of the jurisdiction of this Parliament and of the exclusive power of the Local Legislature to legislate on this matter. I will bring in support of the opinions which I have expressed what I consider to be a very high authority — no less a one than Lord Carnarvon, author of the British North America Act. When the noble lord presented that Bill before the House of Lords, he made a very clear distinction between the powers which were conferred on the local legislatures and those conferred on the Federal Parliament, and in the course of his remarks he said :—

> "The real object which we have in view is to give to the Central Government those high functions and almost sovereign powers by which peace and uniformity of legislation may be secured in those questions that are of common import to all the provinces."

Is it not very clearly stated by the mover of that Bill that the intention was to secure uniformity of legislation only in matters on which such uniformity was intended to be obtained for all the provinces, and not in matters of property and civil rights, since the Parliament has taken special care to put property and civil rights in every province under the exclusive control of the provincial legislatures? This question, fortunately for us, is not a new one. The highest tribunal in our Province — one which we have the right to consider as deserving of much credit — the Court of Appeal — has repeatedly decided upon questions which are somewhat similar to this. In one instance, it was upon a question raised about the building societies. Everybody knows that these building societies are of the same character as the Credit Foncier; that is, they are associations for lending money on real estate. In that case the hon. Chief Justice of the Court of Appeal, rendering the judgment of the Court, says :—

> "We cannot agree with the Court below that the Dominion Parliament have the right to pass the Act 42 Victoria, chapter 38."

It was an Act which had been passed in order to liquidate — an Act affecting the management of building societies, and yet the Court of Appeal says decidedly that this Dominion Parliament has acted *ultra vires* in passing such a law. His Lordship continues : —

> "This Act is not in the nature of an Insolvency law, since it is intended to apply to all building societies, whether solvent or not. It is, therefore, essentially an Act affecting civil rights, which, under the provision of the British North America Act of 1867, comes within the exclusive jurisdiction of the local or provincial legislature."

Is not this conclusive? Does it not come from a very high authority — from the very highest tribunal in the Province, and the very best qualified to judge of the rights of a province? I do not think any one will seriously doubt the question. This opinion of the learned Chief Justice of the Court of Appeal was pronounced in the case of McClannagan *vs.* the St. Ann's Mutual Building Society. I might quote a number of these authorities, but I will restrict myself to one more. It comes from the Privy Council, in a case on an appeal from the judgment of the Superior Court of New Brunswick. In that case, Sir Charles Colville said :—

> "Their lordships are further of opinion with Justice Fisher, the dissenting judge in the Supreme Court, that the Act in question, even if it did not fall within the second article, would clearly be a law relating to a matter of a merely local or private nature within the meaning of the 16th article of section 92 of the Imperial statute, and, therefore, one which the legislature was competent to pass, since its subject matter could be distinctly shown to fall within one or other of the class of subjects specially enumerated in the 90th section."

It is true that this last jugment which I have quoted is not upon a matter exactly similar in its nature to the present one, but the principle is the same — that such matters which are clearly of a local nature fall exclusively under the control of the local legislature. I was astonished to hear the hon. gentleman from Amherst stating that the Bill which we have just passed concerning savings banks, being a Bill of a private nature, should by the same reason be submitted to the local legislature. It is not necessary to remind the hon. gentleman that banks and banking are specially reserved for the jurisdiction of this Parliament, and this by a positive provision of the Act of British North America, 1867. The hon. mover of this amendment said that such companies are banking companies. I would like the hon. gentleman to explain how a society of *credit foncier*, which is a society for lending money on real estate, can be considered as a bank.

Hon. Mr. DeBOUCHERVILLE — I said it was of the nature of a bank, because it was so considered in France, from which this charter was copied. It was there called *La Banque Credit Foncier*. Apart from that it differs a great deal from building societies, because it is a Company to borrow money and to lend money and to issue, not bonded obligation, as stated in the English version, but *lettres de gage* which are almost the same thing.

Hon. Mr. TRUDEL — As to *lettres de gage,* I challenge the hon. gentleman to say that they are anything else than debentures! He might as well say that a railway company is of the same nature as a bank because they have the right to issue debentures. This is nothing less than a debenture. A promissory note has a special character which is well known, and I invite the hon. gentleman to open any law book and he will find that there is an essential difference between the two. The hon. gentleman said that the capital of the Company having been mentioned in francs, and the franc not being a legal tender in Canada, it would amount to creating a legal tender, and thus bring the subject under the control of the Dominion Parliament. I do not see how he can give such an interpretation as that, and say because the Company comes to this Parliament and asks for its incorporation, mentioning its capital in francs, the fact of this Parliament recognizing such capital in francs would change its jurisdiction, that it should put it in pounds, shillings and pence, or in dollars and cents. Such an act would not be creating a legal tender. But this Parliament has a right to say what will or will not be a legal tender; for instance, they have a right to make Dominion notes a legal tender, but it does not follow that Parliament cannot recognize the currency of another country, or that because they recognized by an act the currency of a foreign country, that it constitutes it a legal tender. The law will simply recognize that this Company has a capital of so many millions of francs; that does not mean that the franc will be a legal tender in Canada; it is entirely a different matter. The hon. gentleman from Amherst has raised the point about increasing the capital; it seems to him to be a very extraordinary power to confer on this Company. If the hon. gentlemen were consistent, and considered this Company as a bank, they would remember that the Act of 1871 gives the bank unlimited power to increase its capital; of course I do not admit that the fact of increasing their capital places them on a par with a bank. There is another argument used; they will issue bonds, said the hon. mover of the amendment, and these bonds will be a circulating medium, and they will be of the nature of a Dominion note. This is not correct. There is all the difference in the world between a debenture and the circulation notes of the banks. I do not intend to go into the details of these Bills, because I do not wish to occupy the time of this hon. House any longer I rose to speak merely for th. purpose of preventing, as far as e lay in my power, this House from pronouncing in a sense which I consider to be against the constitutions and the powers of the provinces, and injurious to the interests of the Province of Quebec. I regret very much that such opinions have been so freely expressed by hon. gentlemen of such high standing as the hon. Senator from Montarville and the hon. gentleman from Amherst, and to find in the mind of the former such an inclination on his part to restrict the powers of the provinces, and by this means give the greatest blow to local institutions. There is another question which I consider cannot be ignored in this discussion. Everybody knows that there are two of those Bills of a similar character before the House. I understand, though I am a perfect stranger to both, that there is a competition or something like a competition between the two; and the fact of submitting this Bill to the Supreme Court would necessarily have the effect of killing it, and giving undue preference to the other, and I do not think this should be done unless we are prepared to submit both bills to the Supreme Court at the same time.

Hon. Mr. GIBBS moved the adjournment of the debate.

The motion was agreed to.

VENTILATION OF THE PARLIAMENT BUILDINGS.

MOTION.

Hon. Mr. REESOR moved that the names of Doctors Paquet and Baillargeon be added to the Committee to consider the question of the ventilation of portions of the Parliament Building.

The motion was agreed to.

BILL INTRODUCED.

Bill (77) "An Act to amend the Dominion Lands Act." — (Hon. Mr. Aikins).

The Senate adjourned at 6 p.m.

THE SENATE.

Thursday, March 17th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

THIRD READINGS.

The following Bills reported from Standing Committees were read the third time and passed.

Bill (20) " An Act respecting the Northern Railway Company of Canada." — (Mr. Vidal.)

Bill (23) " An Act respecting the Ontario and Pacific Junction Railway Company." — (Mr. Ferrier.)

Bill (79) " An Act to incorporate the Northern, North-Western and Sault Ste. Marie Railway Company." — (Mr. Allan.)

Bill (80) " An Act to incorporate the Acadia Steamship Company, Limited." — (Mr. Macfarlane.)

BILLS INTRODUCED.

Bill (T) " An Act in amendment of the Acts respecting steamboats." — (Sir Alex. Campbell.)

Bill (99) " An Act further to amend the Acts therein mentioned respecting the Militia and Defence of Canada." — (Sir Alex. Campbell.)

Bill (90) " An Act to remove doubts as to the power to imprison with hard labor under the Acts respecting vagrants." — (Sir Alex. Campbell.)

Bill (95) " An Act to increase the salaries of the Judges of the Supreme Court of Prince Edward Island." — (Sir Alex. Campbell.)

Bill (97) " An Act to provide for the incorporation of a Company to establish a Marine Telegraph between the Pacific coast of Canada and Asia." — (Sir Alex. Campbell.)

FIRST AND SECOND READINGS.

The following Bills were read the first time and passed the second reading under suspension of the rule of the Senate : —

Bill (42) " An Act further to amend the Act incorporating the International Railway Company." — (Mr. Botsford.)

Bill (55) " An Act to amend the Acts relating to the New Brunswick Railway Company." — (Mr. Odell.)

THE SIXTY-FIRST RULE SUSPENDED.

Hon. Sir ALEX. CAMPBELL moved that the sixty-first rule be suspended for the remainder of the session.

The motion was agreed to.

CREDIT FONCIER FRANCO-CANADIEN BILL.

SECOND READING.

The Order of the day having been called for resuming the adjourned debate on the hon. Mr. DeBourcherville's motion in amendment to the motion of the hon. Mr. Gibbs, " That the Credit Foncier Franco-Canadien Powers Extension Bill be now read the second time," viz : " That the said Bill be not now read the second time, but that it be referred, together with Act of the Legislature of the Province of Quebec, Chapter 60, 1880, incorporating the Credit Foncier Franco-Canadien to the Judges of the Supreme Court for their opinion on the constitutionality of the Bill, and also the said Act of the Legislature of the Province of Qubec."

Hon. Mr. GIBBS said : The hon. member from Amherst was kind enough to go into an elaborate criticism not only of the Bill which I presented to this hon. House, and for which I ask the second reading, but he devoted a good deal of his argument to the consideration of what I hold is not now before this House, namely, the measure passed by the Legislature of the Province of Quebec. It is true that allusion is made in the preamble of this Bill to the Act passed by the Legislature of the Province of Quebec, but this is not the first instance of Bills of this kind having been passed by this Parliament in which reference has been made to measures passed by local legislatures, and, in order to show that there is nothing extraordinary in this particular Bill, I desire to call the attention of hon. members to the Act passed in the year 1878, which will be found at page 94 of the Private Bills part of the statutes of that year, and entitled " An Act to confer certain powers on the Montreal Building Association." The preamble of that Act is as follows : —

"Whereas, the Montreal Building Association, a body politic and corporate, incorporated by Acts of the Legislature of the Province of Quebec, have, by their petition, represented that they desire under the name conferred on them by the Legislature of the Province of Quebec, at its last session, to have the rate of interest chargeable by them regulated, and other powers usually granted to loan and investment companies conferred upon them, etc."

Now, that is one, but there are several other Acts which I might cite, and I shall call the attention of the House whilst I am about it to one passed in the same year, chapter 43, immediately following the one which I have just cited: "An Act respecting the Ontario Express and Transportation Company," the preamble of which is as follows: —

"Whereas, the Ontario Express and Transportation Company, incorporated by Letters Patent, under the provisions of the 'Ontario Joint Stock Companies Letters Patent Act, 1874,' have by their petitition represented that they are desirous of carrying on and transacting a general express and transportation business throughout the Dominion of Canada, with power to transact business with similar companies transacting business in the United Stated and Great Britain, and to carry out such project, the said Company are desirous of having their charter confirmed by the Dominion Parliament, and of being empowered to do business as an Express and Transportation Company throughout the Dominion of Canada, and it is expedient to grant the prayer of their petition, etc."

The hon. gentleman in the course of his criticisms declared that some of the provisions of this Bill were of an extraordinary character, and said that the House was asked to give a charter to a Company which had no capital. Now, I do think my hon. friend went a little beyond what he was warranted in doing, and I scarcely think that he treated that portion of the Bill with the fairness which I am bound to say he usually gives to Bills which come under the consideration of this House. In the Bill which is now under consideration, it is stated that the Credit Foncier Company has been incorporated by a statute of the Legislature of Quebec. If you turn to that Act, you find it is so incorporated, that it possesses a certain amount of capital, and the argument which the hon. gentleman sought to make by the objection he raised was, that this House was going to pass an Act for the benefit of a company which had no capital. The only answer that I make to that point is, if the Company has no capital it cannot lend money. But another point, and one on which he dwelt at considerable length, was that extraordinary powers were given to this Company to enable it to borrow money, powers such as were not given in the Joint Stock Companies Act of 1877. The hon. gentleman said, I think (speaking from memory only) that under that Act power was given to the Company to borrow double the amount of its capital. Under certain contingencies that is correct, but on the principle on which this Company desires to borrow money, viz., the issue of bonds and debentures, the same Act to which the hon. gentleman alluded, passed in 1877, specifies: —

"That if the Company borrow money solely on the debentures or other securities mentioned in the ninety-first section, and by guarantee under the ninetieth section, the aggregate amount of the sums so borrowed shall not, at any time, exceed four times the amount of its paid up and unimpaired capital, or the amount of its subscribed capital, at the option of the Company."

Under that Act, they have power to borrow four times the amount of their capital on their debentures only. We ask that this Company shall have power to borrow five times the amount. I do not think the stretch is so very great that the hon. gentleman should characterize it as an extraordinary provision. But another Bill was passed in 1880, chapter 65, "An Act to give certain powers to *La Compagnie Francaise du Telegraphie de Paris a New York.*" The preamble of which is as follows: —

"Whereas *La Compagnie Francaise du Telegraphie de Paris a New York*, and the shareholders thereof, have by their petirion represented that the said Company has been duly incorporated in accordance with the provisions of the laws of France, for the construction of telegraph lines between France and America, and between England and America, and the establishing and maintenance of submarine cables to unite the two continents, and of such other land or submarine telegraph lines as may be requisite to complete, prolong or make the necessary connections for or with the principal lines, etc."

Now, that goes beyond the Dominion, whereas the Bill before the House merely cites an Act of the Legislature of Quebec; and for that we are brought to book, though this

Parliament has reenacted, and is enacting Bills founded upon Acts passed in a foreign country. There is another Bill, which I have not before me at present, incorporating the Gold Hill Company, whose Act was obtained in the State of New York. This Parliament passed that measure, so that in making a reference to the Act of the Legislature of Quebec in this Bill we do not go beyond what has frequently been done before, and, consequently, it does not furnish any sound objection to the Bill. But the hon. gentleman's objection went a little beyond that, and he said that we had extraordinary powers for borrowing. If we have no capital, as the hon. gentleman says, surely we may have the privilege to borrow even to the extent of ten times the amount; but if we have no capital to lend we have no basis on which we can borrow. I take it, therefore, there should not be much weight attached to the criticisms of the hon. gentleman on this particular point. He desired to lay some stress on another portion of the Bill, which he criticized — that we were authorizing this Company to issue bonds and debentures not payable in the currency of Canada, but payable in francs, the currency of France, as if this was an extraordinary provision. There is scarcely a Bill of this kind asking powers to borrow on bonds or debentures, but gets the privilege of making the bonds payable either in the currency of Canada or sterling of Great Britain. The hon. gentleman, when he made this criticism, must have forgotten entirely that we passed a Bill this session which gave power not merely to borrow money in pounds sterling or francs on its bonds or debentures, but specified that the Canadian Pacific Railway Syndicate might have power to issue debentures payable in thalers as well. I do not think, therefore, that there is any force in the hon. gentleman's argument, and he must have forgotten what had taken place so very recently in this Chamber. As to the extraordinary provisions of the Act which was passed by the Quebec Legislature, I have only to say, as I have said already, that we do not seek to enact anything here that is objectionable to the House. If there are any features of this Bill which are objected to, we are quite prepared to have them eliminated. If the Bill goes to committee, we are quite prepared to make such amendments as may be desirable; but I do not think that the House would be warranted, in consequence of any reasons which have yet been advanced, in adopting the amendment of the hon. Senator from Montarville. With reference to that amendment, I do not profess to be able to speak on the constitutional question; but I do think if there has been an argument adduced during this debate which should go to convince this House that the amendment ought to be rejected, it is contained in the elaborate speech which the hon. gentleman offered in support of it. Now, what is the sum and substance of that argument? Simply this, that this Parliament is the place to come for this legislation. The hon. gentleman says he does not think it rests with the provincial legislatures to grant this legislation. Well, if that be the case, I do think the hon. gentleman's spirit of fairness should lead him to withdraw the amendment for which he solicits the approval of this House. No doubt he desires to do what is right; but if there is any logic in his argument, it is that this Company having obtained incorporation from legislatures which have not the right to grant it, he should aid in the passage of this Bill in order that the Company may do business legitimately, not only in the Province in which they have obtained charters, but also throughout the whole Dominion. The hon. Senator from Amherst concluded his argument by saying he was going to support the amendment. What is the amendment? It is that the Bill shall go to the Supreme Court for the opinions of the judges thereon. That, I believe, is in accordance with the 55th rule of this House, which enables us to ask the Supreme Court to give an opinion upon any Bill introduced in this Parliament; but I am bound to say that if we should refer legislation not introduced in this House, and over which this Parliament exercises no jurisdiction, the Supreme Court would make answer that we have no authority to make such a reference. I make this statement merely upon my own conviction. There are gentlemen, here, learned in the law, to set me right if I am in error, but I doubt if this

House can send to the Supreme Court an Act which has been passed even by this Legislature. We have the right to send a Bill there, but nothing beyond that, if I understand the rule of the House. I hope this honorable House, taking into consideration the position which the amendment will place this Company in, will reject it. This Company is desirous of importing into Canada a large amount of money — to do what? To do that which no other Company has ever yet done — to loan money at a lower rate than has ever yet obtained in Canada. The old Parliament of Canada from time to time passed Acts, limiting the rate of interest to 8 per cent., but here is a Company asking that $5,000,000 may be brought into this country to be loaned at the maximum rate of six per cent. I ask this House to pause before it interferes to prevent the importation of so large an amount of capital which I am sure must be for the benefit of the people of Canada. There may be objections to particular features of this Bill, but they can be amended in committee. It has been urged that the Bill gives the Company power to issue bonds and debentures, payable with prizes attached to them. I do not say that I would have introduced that clause here if I had had the framing of the Bill; but these drawings are not to take place in Canada, but where the bonds and debentures are to be sold. It is a system with which the people of France are quite familiar, and it offers them inducements to come forward to subscribe. It is contrary to the spirit of our people, because we are not accustomed to anything of this kind. However, that simple objection to the Bill would hardly warrant us in adopting the amendment of the hon. Senator from Montarville. I think the hon. gentleman has been quite illogical throughout the whole of his speech, and if it is to have any effect upon this House it should be to induce them to vote in the opposite direction to that which he desires, and I believe he is himself going *ultra vires* in asking this House to request the Supreme Court to pass judgment on an Act which I believe it cannot deal with in that way, and in the manner which he proposes. I therefore trust that this Bill will be dealt with in that spirit of fairness in which every Bill which has come up has been treated ever since I have had the honor of occupying a seat here. If I thought that the objections which have been raised to this Bill were valid, I should be the last to defend it in the manner I have been doing. I trust that in the interests of this country, as well as in the interests of the Company, nothing will be done to prevent the passage of this Act which will empower the Company to introduce into this country the large amount of capital which it proposes to raise.

Hon. Mr. READ — To my mind this Bill is one of very great importance to the people of Canada. It must be very satisfactory to all of us who have an interest in this country, to think that to-day our credit and standing have arrived at this point, that people are asking to be restricted to a low rate of interest on moneys that they have to loan on lands. In the first place they ask to be allowed to lend only half the value of the land, and to fix the maximum rate of interest at six per cent. Will not that be a great boon to this country? Many of us who have been here for years and are acquainted with the working of the Trust and Loan Society, know that in the thirty years which they have been in existence, receiving eight per cent. interest, they have realized enormous profits to the investors. I have made a calculation of the amount that one dollar would earn in thirty years, invested at the rate of eight per cent., compound interest. It would amount to over ten dollars. It is true that people need not have borrowed from the Company; but in a new country where people are ambitious and anxious to improve their properties, they are very much inclined to borrow. I congratulate the country and this House on the prospect that for the future, at all events, we may expect to be able to procure money at a reasonable rate of interest. Very few farmers can pay 6 per cent. interest. There are millions of dollars due to-day on which 8 per cent. is charged, and I think this company would confer a great benefit upon the masses of the people by enabling them to pay off these loans. It is astonishing the number of borrowers there are in this country, and the amount that is borrowed. If they obtained the money from one another in this country it would not matter much, but the money goes to the Jews of Europe, who are prepared to lend money at high interest, and take their chances. The British capitalists do not believe that the lands of this country can pay a high rate of interest, because in England they cannot get more than two and a-half or three per cent. at most upon land security. When we offer them more they sometimes doubt the security. The English capitalist likes a safe investment, but speculators will take a high rate of interest and look pleasant. I hope this House will pause before doing anything to deprive the people of this country of the opportunity of borrowing money at a low rate of interest. As to the lenders, my experience is that they know how to take care of themselves. They are men of intelligence ; many of them have acquired their money by their ability, and they are quite competent to look after their own interests. You need not watch over them so carefully as you should watch over those who are obliged to borrow. I ask this House not to prevent by any side wind the influx of foreign capital into this country, and the consequent reduction of the rates of interest which competition would bring about.

Hon. Mr. GIRARD — I desire to state my reasons for opposing, as I propose to do, the amendment submitted to the House by the hon. Senator from Montarville. At first I had no objection to this reference of the Bill to the judges of the Supreme Court ; but I have come to the conclusion that such a reference would not be in the public interest, because a Bill of this kind should not receive opposition in this House. We have been in need of money in this country, and here is a large institution with extensive capital coming to our aid. We should be ready to do everything in our power to facilitate the establishment of such a company in the Dominion. I know in Manitoba any such institution would receive a welcome from our people, who have now to pay from 12 to 15 per cent. for money. The hon. Senator from Amherst said the company which is applying for this Act has no legal existence. By referring to the Bill before the House he will find it stated in the first clause that the Company is now in existence and known as the Credit Foncier Franco-Canadien, and we know well who the parties are who are promoting this Bill. We remember the circumstances under which this association sprang into existence. They came to this country at a time when serious difficulties existed in the administration of the financial affairs of the Province of Quebec. The Company helped that Government out of its difficulties.

Hon. Mr. DeBOUCHERVILLE — I see in the papers that the Quebec Government was offered a loan on equally good terms by a company in France, not the Credit Foncier.

Hon. Mr. GIRARD — As we say in French, when the daughter is married there are plenty of suitors. At all events, capitalists with money came to the rescue of the Government at the time, and this Association was formed, and consists of respectable and influential men. I regret that so many objections have been offered in this House to a company incorporated by a local legislature. There should be a certain amount of respect for the rights and powers of the provincial legislatures, and unless there is, the result will be a legislative instead of a federal union. That will be the only escape from the difficulty. For my own part, while I am disposed to interpret in a liberal spirit all the provisions of the British North America Act, I have no difficulty in reconciling its various clauses, and I am not surprised when I see any company possessing a charter from a local legislature, coming to this Parliament for an extension of its powers, and I think this Parliament has sufficient power and authority to incorporate any company to do business throughout the Dominion. In this case the Company had a legal existence under the Act of the Legislature of Quebec, and they merely come to us now for an extension of their powers. It seems to me that some of those powers can only be conferred by this Parliament, and others by the provincial legislatures, and the only way to get out of the difficulty is to come to this hon. House and ask for a confirmation of all the powers which appear in their charter. I should regret if this Bill and the Act of the Legislature of Quebec should be referred to the Judges of the Supreme Court, because I consider that should only be done in exceptional cases and by members of the Government, or in such a way that the opinion of the judges of the Supreme Court should not be made public. We are here to legislate, and we have the power to enact this measure, and we have to act as in our judgment seems best in the interests of the public. Therefore, I have no hesitation in opposing the amendment, and I think I express the opinion of the House when I say that we approve of the provisions of this Bill. We should encourage by all the means in our power the establishment of such institutions as this, whose object is to facilitate the trade of the country as much as possible. For the first time in our history we see a large amount of capital flowing into this country from France, and though every one may not have the same sympathy for that country that I entertain, the House will admit that no people better appreciate the value of money, or know better how to make it. The introduction of French capital, whether in the shape of pounds sterling, or dollars, or francs, will do a great deal of good in this country, and will relieve us in Manitoba, at all events, from difficulties which at present appear almost insurmountable. I know cases in my province in which we have been obliged to pay as high as two per cent. per month for money. It was a heavy burden, but there was no help for it. I ask hon. gentlemen if, under such circumstances, it would be well to prevent this Company from going into operation in Manitoba, and lending money at 6 per cent. for long terms to the people of that Province. It would enable many of them to place their business on a safe foundation. Under the circumstances, I hope that there will be a large majority against the amendment and in favor of the Bill.

Hon. Mr. SCOTT — The proposition is to submit not only this Bill, but the Act of the Quebec Legislature — which seems to be inseparably connected with it — to the Judges of the Supreme Court. It must be perfectly obvious that we have no power to invite the opinion of the Supreme Court on what is the law in a portion of this Dominion. It would be exceedingly improper for us to do so.

Hon. Mr. DEBOUCHERVILLE — Will the hon. gentleman allow me to call his attention to the 55th rule of this House, which is as follows:

> "Before the second reading of any private bill, the same may, if the Senate think fit, be referred to the Supreme Court for their examination and report, as to any point or matter in connection with such bill expressed in the Order of Reference."

Hon. Mr. SCOTT — But that could not possibly refer to a statute in one of the provinces. I will just illustrate what I say: Supposing there is a case now pending in the Province of Quebec as to the constitutionality of legislation in that Province, and the case has been argued in the lower courts; you would be anticipating the judgment of these courts without learning their views or having the measure discussed by professional adepts, one way or the other. So that it would be manifestly unwise for us to ask the opinion of the Judges, and the Supreme Court would not undertake to give us any decision; they could not be expected to come to any conclusion. Therefore, it can only be a bill that can be referred to the Supreme Court. I have read over this Bill, and I fail to discover any clause in it which could debar us from dealing with it. I think it is extremely unfortunate that the promoters of the Bill did not incorporate in it the Act which now prevails, although I do not consider it an objection to this legislation; I do not consider that it is absolutely necessary they should have included it. I do not read this Bill in such a way as would lead me to the conclusion that in enacting it we are at all confirming the legislation of the Province of Quebec with reference to this Company. The words are:—"It shall be lawful for the Corporation created and constituted under the name of 'Credit Foncier Franco-Canadien' by the statute of the Province of Quebec, cited in this preamble, to exercise the powers hereinafter mentioned in every part of the Dominion of Canada." It is the powers that are mentioned here that we confer upon the Company, and no other powers. If there is anything *ultra vires* in the legislation of the Province of Quebec it is *ultra vires*, notwithstanding the passage of this Bill. We only enact the provisions contained in this Bill. I think no honorable gentleman can point out any provision contained in this measure that is not perfectly within the purview of the Federal Parliament. There is nothing here that we do not constantly enact in other measures. Now, coming to the provisions of the Bill, there is nothing that strikes me as being startling or alarming; not even in the 13th clause, which my hon. friend who has charge of the Bill seemed to admit was a stumbling block. We have given such powers repeatedly to railway companies who seek to borrow money on mortgages, and more especially that class of security composed of land grants. The railway companies are not quite as frank as this Company is, and do not state that the money is borrowed in this way; but practically they do the same thing, and I will state how it is done: Certain companies, which believe that they can pay, at all events, part of their bonds before the expiration of the final term (assuming the term to be twenty years) take power to invest in their own securities. How do they purchase their securities in the market? It is perfectly obvious, if they had to go into the market and buy these securities, the holders, knowing that the Company had surplus funds to devote to that purpose, would raise the price. The companies stipulate, not in the Act of Parliament, but in the mortgage to the trustee, that if at any particular time they may require to draw debentures, they will have the right to pay for the particular one drawn at five or ten per cent. premium, or whatever may be stipulated in the mortgage held by the trustee. It is a premium, or prize, if you wish to call it so. It is something always above par, because it would not be proper for the company to exercise its power to recall the debentures unless prepared to pay something more than the face value of them. If the Company possesses sufficient money in the treasury for the redemption of its bonds, they may all be redeemed within the limit of the term for which they have to run; and whenever there is a sufficient amount in the treasury at the credit of the trustee, to justify him in purchasing a debenture, he has a right to draw, and the party who holds the debenture is bound to take his money — bound to take that particular premium or prize at the figure that is named in the trust deed. It is usually some percentage above par, so that the holder of the debenture cannot lose any money. Thus parties who purchase an instrument of that sort know at the time that they are subject to that drawing, and they purchase with the full knowledge that they may be called upon and forced to take their money. They get something in addition — they get the premium. Take these land grant bonds that are now provided for in many Acts which are passing through Parliament; it is manifestly in the interest of the railway companies that they should have such power, and it manifestly gives increased value to the debentures, because the proceeds of the sale ought to go in redemption of the debentures issued upon them; and how else are you to make discrimination as to whose particular bond or debenture should be called in first, unless by way of drawing? I see nothing objectionable to it except the words, which are a little startling. We have not used them before, but, as I have said, we give the powers every day to companies to carry out just that idea. There is nothing in this Bill to render it necessary to refer it to the Supreme Court; it is a matter for Parliament to consider. We have to consider whether the Company should not have given us a fuller Bill in asking those powers from Parliament, but I do not consider that so necessary as to justify me in voting against it. As to the power the Company has to issue its bonds, payable in the coin of France, I do not think that is of any consequence. We had a proposal the other day to get money to build the Pacific Railway; we were going to get gold in Hamburg, in London, in Paris, and in New York. It did not make so much difference where we got it, so long as we did get it; and we were led to believe that the whole world was to contribute to the building of our railway. I think it is stumbling on a very slight pretext to say that these gentlemen cannot make their debentures payable in francs. We constantly authorize companies to issue their securities in sterling. It is quite true that England is the Mother Country, and quite proper that we should pay her that respect, but it is a sentiment which commercial men do not recognize. If we have to make use of debentures payable in another country, we should accommodate the people who are to buy them. The people who are to borrow from this Company are those whose interests we must look after; we must see that we are not exposing them to be imposed upon or unduly entrapped by this Company. In looking over the Bill, I find they have guarded themselves very much more than most of our loan societies have done. I notice in the first place there is a restriction that they shall not advance more that one-half the value of the property; and there is another restriction which is new to my mind — and I think a very good one — that the value of the property shall be estimated by the net revenue which it is capable of yielding. Now, those are safeguards that I have never seen introduced in any of these loan companies bills before. I think they would prevent a man from borrowing more than he ought to do, and more than the property should fairly be charged with. Then there is another important provision which enables a debtor to pay off his debt at any time. Now, what is the fact to-day in this country? We know very well that if a debtor proposes to pay off his debt to a loan company, they decline to accept the money; except at such figures as they choose to fix themselves. There is no loan company doing business in this country to-day that is prepared to offer such a resonable basis to parties desiring to pay up. They are governed by the position of the debtor, and I have never known a loan company in Canada to make a settlement with a debtor on any such reasonable basis as this. I do not see any other clause in the Bill which requires comment; so far as the interest of the people who buy debentures is concerned I do not think that we need trouble ourselves about that. We know that people do not put their money into ventures of that kind unless they have good security; and they are advised by the best counsel they can procure. They are quite able to look after themselves. But we have to look after the interests of those who are to borrow. I think there is a good deal to recommend this Bill to the House. Of course the mortgages that this Company will take will be payable in the coin of this realm. They will take the mortgages from the several borrowers in the currency of Canada and that is all we have to deal with.

Hon. Mr. HOPE — I have been informed that the Act incorporating this Company in the Province of Quebec is *ultra vires*, and I looked at the Act to satisfy myself on this subject. It certainly is a very lengthy and complicated document, and it would take a longer time than I can give to it at present before I could find out what it all amounts to. I think that the hon. gentleman who moved the amendment is fully justified in desiring to have the opinion of the Supreme Court judges upon the measure. It is rather unusual legislation for us here, and a good many of the provisions are such as I think, are not exactly in accordance with the legislation which we have hitherto had on such subjects. The hon. gentleman who last spoke referred to section 2 as being very worthy of insertion in any act of this kind. I think the three clauses of section 2 are just about as childish provisions as I ever saw on the statute book. The Company can get valuations to order all over the country, and to say that they are not to loan over more than half the values is useless. They will soon get valuations to suit them. These provisions of the Bill may do well to inculcate upon the directors in a general way, but to bind them down in any way is ill advised, and in an Act of Parliament, I think it is childish in the last degree. With regard to the rate of interest, some hon. gentlemen have remarked that this Company is about to effect a great reduction in the rate, which will be a great advantage to the people generally. I admit that I think it is of very great importance to encourage the introduction of private capital, so as to aid in the development of the resources of the country. Some twenty years ago when loan societies began to come into operation in Ontario, 12 per cent. was the usual rate that was charged for money, and often higher than that was paid. There was really nothing to prevent them charging anything they could get, but the accumulation of capital in the country, and the competition of these loan societies reduced the rate to 8 and to 7 and even to 6 per cent. Some of the leading loan societies of Ontario are furnishing money at 6 per cent. to, I might say, almost any amount ; so I do not think this Company can take credit to itself for reducing the rate of interest. Companies in this country had been loaning money at 6 per cent. before we ever heard of this Bill. With regard to section 13, if these gentlemen who are promoting this Bill wish to secure Dominion powers, I think they ought to go to the Act that already exists on the statute books which was passed in the year 1877 ; and if they had asked for these powers I would have been very glad to support the Bill ; but when they come and ask for powers such as were never granted before, they must excuse us if we pause before complying with their request. They ask power to borrow money to the extent of five times their paid up capital. The Dominion statute regulating joint stock companies, limits it to four times.

Hon. Mr. SCOTT — Well, make it four.

Hon. Sir ALEX. CAMPBELL — We have the right to make it four, or make it five.

Hon. Mr. HOPE — With regard to the prize business, I thought at first it was a lottery, and that the remarks of the hon. Senator from Amherst were exceedingly appropriate ; but an attempt has been made to explain that away, and to show that — as the prizes would be given away in Paris — it would not do any injury to the people of this country. I do not think that is a system of legislation that we ought to sanction, and I object to that course of dealing with the matter. I shall vote for the amendment.

Hon. Mr. ALLAN — I think that the details of the Bill, some of which have been alluded to by the hon. gentleman who spoke last, and others who preceded him can very well be considered in committee. My chief difficulty lies at the very threshold of the Bill. It purports to be a Bill giving certain powers to a Company incorporated by an Act of the Legislature of Quebec ; and it sets forth that it shall be lawful for the Company so incorporated by that Act, to do certain things, borrow and loan money throughout the Dominion of Canada. I have been trying to see whether there was any precedent for similar legislation on the statute book. I remember several years ago a number of Ontario loan companies applied for Acts to this Legislature ; the Canada Permanent, the Western Canada, the Imperial, and several others had Acts passed at various times, some in 1871, and others again in 1875 and 1876. These Acts were for the purpose of merely changing the names of the respective companies, but they did nothing more than simply state that certain companies incorporated under certain Acts from the old Province of Canada, or from the Dominion, should be allowed to change their names, and that that change of name should make no difference as to the rights or franchises of the respective companies in the conduct of their business. But all these rights and privileges were to remain precisely the same as if no change of name had occurred, and in most of these cases there were similar Acts passed in the Legislature of Ontario. I have here before me the Acts relating to the Imperial Loan Company, the Canada Permanent, the Western Canada and some two or three others. In the Western Canada and Canada Permanent, I find corresponding Acts in the Ontario statutes, but I cannot find any in the case of the Imperial. In all these cases they simply asked, as I have already said. for a change of name ; they did not ask for any new powers, or to do business on any other conditions, or in any other way than already presented by the statutes incorporating those then in existence. The difficulty in this case is that this Act, if passed in its present state will be altogether incomplete ; it will not set forth the capital of the Company and other particulars, which both these from whom they borrow money, and those to whom they propose to loan money, outside of the Province of Quebec, ought to have before them.

Hon. Sir ALEX. CAMPBELL — Neither did the other Bills set forth the capital of the companies.

Hon. Mr. ALLAN — They did not ask for any additional powers.

Hon. Sir ALEX. CAMPBELL — They were incorporated anew.

Hon. Mr. ALLAN — Yes, they were only incorporated under a new name. The hon. gentleman will find that in these Acts there is nothing more than power given to change their names. They ask for no new powers; they are simply incorporated under a new designation.

Hon. Sir ALEX. CAMPBELL — If my hon. friend will look at the second clause of the Act of 1875, of the Imperial Company, he will see that a new corporation is created; it incorporates them under the Dominion law, whereas, previously, they were incorporated only under the local law.

Hon. Mr. ALLAN — Admitting all that, there is still a wide difference between the cases of those companies and that of the Company which asks to have its powers extended by this Act. In this Act a company incorporated in one Province by an Act of the Local Legislature, is asking for powers to do business all over the Dominion. That original Act of incorporation should certainly have been so far set forth or incorporated with this Act, as to give to all who may do business with it without the Province of Quebec, full information in regard to its capital, and all the rights and privileges which it possesses under its original charter. The Act in its present shape will, in my humble judgment, certainly be very incomplete and bad legislation.

Hon. Mr. WARK — So far as this Bill is concerned, I have no objection in confirming the legislation of the Province of Quebec, if it is required; but I do not feel disposed to accept it for New Brunswick: "Credit Foncier" is not wanted there. We have, of course, farmers in New Brunswick who get into debt, but I do not think it is well to hold out inducements for them to do so. When we look at the interest on a debt of $30,000,000 taken out of Ontario every year, I do not wish to see the same system extended to New Brunswick, and my hon. friend from Amherst does not wish to see it introduced into Nova Scotia. We have different classes of farmers in New Brunswick. We have farmers on dyke marshes who are wealthy men; we have farmers on the intervales who are also men of means, and have money to lend instead of borrow; we have the upland farmers, and I believe it would be unfortunate for them to have inducements held out to them to borrow. I can tell the hon. gentleman that from my experience, when a farm becomes mortgaged for half its value it soon becomes its whole value. The mortgager gets discouraged and lets the farm run down, and it decreases in value, until by the time the mortgage expires, the man is turned out of doors. It is for this reason that I shall support the amendment. The Bill may be required for the Province of Quebec, but I hope it will be confined to that Province.

Hon. Mr. DEVER — I am opposed to extending this Bill to the Province of New Brunswick. A few years ago, I and others had a great deal of trouble in this Parliament to get for New Brunswick a Bill permitting free commerce in money as a commodity in the market. Before that period there was a great deal of dissatisfaction with regard to the handling of money. The legal rate of interest was six per cent, but since that Bill was passed any rate of interest is obtainable after contracts are made. That has given satisfaction to the people of New Brunswick, and I am opposed to this Bill as far as New Brunswick is concerned, because we are satisfied with existing arrangements. It is not binding on us in New Brunswick to pay more than six per cent, provided we are not disposed to make arrangements to pay more. On that ground I shall oppose this Bill so far as New Brunswick is concerned.

Hon. Mr. DEBOUCHERVILLE— I have listened with the greatest attention to all the members who have spoken on this question. I do not think they have answered the doubts which I have expressed as to the right of the Legislature of the Province of Quebec to incorporate this Company. I spoke of its having established a French currency in the Province, and although I admit that this House has the right to change the currency of the country, I think there is no doubt that the local legislature has no power to do so. Every one knows that in the British North America Act that is reserved to the Parliament of Canada. More than that, in the instructions to Lord Dufferin (I have not the instructions to the present Governor General) the Queen says:—"You are not to assent in our name to any Bill of any of the classes hereinafter specified," and amongst others is included, "Any Bill whereby any paper or other currency may be made a legal tender, except the coin of the realm, or other gold or silver coin." Therefore, not only is it not an Act of this Parliament, but our sovereign insists that such Bills shall not become law without being referred to her. The hon. Senator from Ottawa think that we ought to be glad to get money from any source. I agree with him, and I said yesterday that I should be glad if ten such companies as this would come here to lend money at low rates of interest, but it does not follow that the local legislatures have the right to establish a new legal tender as is done by the Act passed by the Quebec Legislature. The hon. Senator from Ottawa also alluded to the fact that the money is to be paid in France. That is not the only place. By the Act of the Quebec Legislature it is provided ——

Hon. Mr. SCOTT — That Act is not before us.

Hon. Mr. DeBOUCHERVILLE — It is on that Act that this Bill is founded, and we must examine the Act to understand the Bill.

Hon. Mr. SCOTT — If the Act of the Quebec Legislature is *ultra vires* the Governor General can still disallow it.

Hon. Mr. DeBOUCHERVILLE — If it is *ultra vires*, we should not enact this Bill. In the Act of the Quebec Legislature it is provided that the money shall be paid in francs, not only in France, but also in Quebec.

Hon. Mr. TRUDEL — Is that the clause which you say establishes a legal tender?

Hon. Mr. DeBOUCHERVILLE — Yes.

Hon. Mr. TRUDEL — That amounts to nothing.

Hon. Mr. DeBOUCHERVILLE — The hon. Postmaster General in his remarks did not express an opinion of to the constitutionality of this charter. He merely alluded to the various provisions of the Bill before us; but hon. gentlemen must not forget that this Bill is merely an extension of the Act of the Local Legislature. The hon. Senator from Oshawa cited precedents for this legislation, but he forgot to read the whole of the preamble of the Ontario Express and Transportation Company's Act, to which he referred. While their business was confined to Ontario they were satisfied with the Act which they had obtained from the Legislature of that Province, but when they thought of extending their business they came here. But did they ask to have their charter confirmed? No, it was a new corporation with a new capital stock. I accept that precedent, and I say that as this Credit Foncier Company ought to have made a similar application. We have a right to seek for the opinion of the judges of the Supreme Court on this Bill, and the charter of the Company. The hon. Senator from DeSalaberry, in his remarks yesterday, said he had grave doubts as to the constitutionality of this Bill.

Hon. Mr. TRUDEL — I said I knew that doubts had been expressed as to its constitutionality.

Hon. Mr. DeBOUCHERVILLE — I understood the hon. gentleman to say that he had himself grave doubts, and I will refresh his memory by reminding him that he added if we should send the two Credit Foncier Bills to the Supreme Court, he would be in favor of the amendment. Did I understand the hon. gentleman correctly?

Hon. Mr. TRUDEL — I said there were two Bills in competition, and that there would be a serious injustice in giving a preference to one of them — that unless the two Bills were put on the same footing there would be injustice.

Hon. Mr. DEBOUCHERVILLE — It seems to me we should consider every Bill on its own merits, and not wait until some other Bill comes up to see if we are right or wrong in voting on a measure.

The Senate divided on the amendment, which was rejected by the following vote: —

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Hon. Mr. DICKEY — I think I should not be consulting the convenience of the House, much as I desire to reply to the observations which have been made, by taking up the time of the House at this stage of the Bill. I rise for the purpose of stating that I shall not oppose the second reading of the Bill, but that I propose to deal with it in committee.

The Bill was read the second time.

CREDIT FONCIER OF THE DOMINION BILL.

SECOND READING.

Hon. Mr. VIDAL moved the second reading of Bill (32) "An Act to incorporate the Credit Foncier of the Dominion of Canada." He said I think I shall best consult the feelings and views of the House if I take very little time in asking them to consent to the second reading of the Bill. I may remark, however, that it is entirely free from the majority of the objections which have been brought against the Bill that has just been before us, inasmuch as it has no reference whatever to a provincial act, but comes to us as the application of certain parties desiring to form one of these landed credit companies. When I name some of those persons — Kohn, Reinach & Co., of Paris, Duncan McIntyre, of Montreal, Hon. Mr. Thibaudeau and Hon. Mr. Cochrane, of this House, and Chas. D. Rose, of England — I think it is a sufficient guarantee to the Senate that this Corporation is a *bona fide* one which intends to go to work with a view of benefiting the country by the introduction of capital to be loaned at a low rate of interest. The features of this Bill are very much like those of the measure which has just passed the second reading. I do not think it is necessary that I should enter into an explanation or defence of them.

The Bill was read the second time.

ANDDEW MERCER REFORMATORY BILL.

SECOND READING.

Hon. Sir ALEX. CAMPBELL moved the second reading of the Bill (81) "An Act with reference to the Andrew Mercer Ontario Reformatory for Females and the Central Prison of the Province of Ontario."

The Bill was read the second time.

THE SENATE DEBATES.

FIRST REPORT OF THE COMMITTEE ADOPTED.

Hon. Mr. MACFARLANE moved the adoption of the first report of the Select Committee on reporting and publishing the debates of the Senate. He said: The report which was laid on the table yesterday, and which has been in the possession of hon. members for the last twenty-four hours, will enable them to understand the proposal which has been provisionally accepted by the Debates Committee for next session. As hon. gentlemen will observe, it alters to a considerable extent the system which has been pursued for the last three years, inasmuch as it confines the publication of the reports entirely to the *Hansard* system in future. In that respect my impression is that it will be a great improvement on the present mode of publication. As hon. gentlemen well know, the publication in the *Citizen*, owing to circumstances over which the reporters have no control, has been delayed, and the reports are now some days in arrears. The consequence is that matters discussed in this House have lost their interest before they appear in print. Under the new system the speeches of hon. members will be published the day after they are delivered, and will be disseminated and read throughout the country more extensively than they are at present, inasmuch as there will be no delay in publication. Each Senator will have five copies of the first edition delivered to him the day after the speeches are uttered. They will then have an opportunity of revising their speeches in print, and making such verbal alterations as may be necessary for the permanent record of the country. For the purpose of giving, if possible, more prominence to the French speeches, we have thought it advisable to add $500 to the amount of the contract in the hope that the services of a competent French reporter may be secured. The Committee, I may say, have taken a good deal of pains to get the best information they could, and to acquaint themselves with the best mode of giving publicity to the speeches delivered in this House, and have come to the conclusion that the proposed system is the best we can adopt.

Hon. Mr. HAYTHORNE — I would not wish to be understood in any remarks which I may have to make upon this report as desiring to act with any discourtesy towards the Committee. I am well aware that in this House it is generally considered that the report of a Committee situated as the Debates Committee is, ought to be adopted without dissent, but,as my opinion is strongly in favor of the present system in preference to that which the House is recommended to adopt, I must protest against the change, and request the House to hesitate before it sanctions the new plan. Having been myself once a member of the Debates Committee, I feel that its members are deserving of great consideration for all the trouble they have taken, but I believe there is an instance on record where a Reporting Committee was asked to reconsider its report, and came back to this House recommending a different plan from that first adopted. That plan has been in operation for two or three years, and has given very general satisfaction. I remember the instructions to that Committee were very precise. They were instructed to procure the publication of the debates of this House in some newspaper in Ottawa, so that the reports should be circulated with the paper, and that instruction of the House has been carried into effect. A great change must have come over the opinions of hon. gentlemen on this subject. Three years ago they were strongly in favor of having the debates of this House published in some of the city newspapers, now they are perfectly indifferent on that point, since it appears that whatever advantages may have been obtained by the present plan we are to lose them entirely by the new scheme. I confess I myself attached a great deal of importance to that plan. It is said that greater prominence will be given to our reports by the proposed system than by the plan now in operation, but I very much doubt that. What do we find in this City of Ottawa? We find the *Citizen* published at an early hour in the morning, and gentlemen, sitting over their breakfast tables, have it before them with the Senate debates, if not of the previous night, at all events of a late date, to read at their leisure. I very much doubt whether the publication in *Hansard* form will have the same effect. *Hansard* is something that everybody does not care much about, and the reading of it may be deferred *sine die*, and probably the ultimate fate of it is, that it will not be read at all, and will be kept for the purpose of reference, which, indeed, is the true use of a *Hansard* — but what we want is to accustom the public to see the debates daily in some portion of the press, and it seems to me not a valid objection that the debates of this House get sometimes in arrear. I do not think there is any valid reason for blaming the reporters for that, because it would require a much larger staff than we could secure without largely increasing the expenditure to keep pace with the voluminous debates which occurred not long ago on the Canadian Pacific Railway Bill. In view of the general satisfaction which has been expressed with reference to the system which it is proposed to supersede, but which I really hope the House will hesitate before it does so, I say, looking at those things, it would be very unwise on our part hastily to abolish a system which has given very general satisfaction, and adopt another which it is said has been found to answer in another place. If the reports which we may see daily in the city papers of the debates of the House of Commons are to be accepted as a satisfactory illustration of the working of that system, I can only say that I deem such work to be very unsatisfactory. I have seen reports of most interesting debates, which I had listened to with the greatest pleasure in the galleries the preceding night, curtailed within the smallest bounds, and not given with the fairness that one would have a right to expect. I think it hon. gentlemen expect any section of the press to give a *resumé* of the debates of this House in a fair, candid and impartial spirit, they will be very much disappointed. In the first place, it would require a reporter of the very highest ability. It is not ordinary reporting, but special work. A man may be a first class reporter and yet not have the special talent and knowledge required to summarize a debate. And, in the next place, all the leading papers of the Dominion will probably find it more to their interest to publish the debates of the House of Commons and of the Local Legislatures, rather than of the Senate. I think we should look at the subject of our debates in a spirit rather different from what hon. gentlemen are inclined to regard them. If we look, for instance, at the debates of the House of Lords, and the manner in which they are reported in the London papers, we do not find that they are considered of sufficient interest to be given in extended form. There may be occasionally debates on affairs in India and Afghanistan in the House of Lords which possess special interest, because, perhaps, many of the speakers were personally concerned in them, and when such debates occur they are given at considerable length in the London papers, but the ordinary proceedings of the House of Lords, like proceedings of this House, have not sufficient interest to induce any prominent newspapers to occupy any large space in their columns or to incur any considerable expense in reproducing them, even in condensed form. For that reason I think the House will be acting unwisely in casting away the advantage they have enjoyed of occupying daily during the session so much space in one of the papers published here in Ottawa. For that reason I do hope that the House will hesitate before they adopt this report.

Hon. Mr. DICKEY — I have no desire to say much on this subject, because it is well known that my views on the general question of reporting do not run on all fours with the opinion of a great many gentlemen in this House. My contention has always been that we get too little for our money, and that we pay a great deal for which we get no adequate return. I have no doubt the members of the Committee have done the best they could. They have given the question their careful consideration, and I cannot go quite as far as my hon. friend who proposes to oppose the report, but there are one or two points on which I should like to have a word of explanation from the hon. Senator who has charge of this matter. The question of revision of speeches comes up, and I should like to know whether these copies for the newspapers are to be sent after the reports are revised or before?

Hon. Mr. MACFARLANE — Before; they are to be sent immediately.

Hon. Mr. DICKEY — If they are to be sent before revision, then it is obvious we shall have reports sent out to the country as our utterances when we have not had an opportunity of revising them, and the revision will only apply to the permanent record. Nobody reads them, as we have been told on several occasions, and they can only be useful as a book of reference. That will make an objection to this system which does not apply to the present arrangement, because now, when the debates do go before the public, they are published in an authentic form, after being revised by the hon. gentlemen who speak. The change in this respect really makes the suggested arrangement a little more unsatisfactory to me than I had supposed, for, after all, what is the proposition? It is that the speeches shall be reported and sent to the world, then, after they have been published, they may be revised and republished in book form. I think that will not be a satisfactory arrangement. It will lead a great many gentlemen to say that if their speeches are to be sent to the world without an opportnnity for revising them, they will scarcely take the trouble of going through them afterwards. At the same time we have been making experiments on this question from year to year. We have been endeavoring to combine correct reports with prompt publication at the least expense, and now it appears we have got on the ascending scale, and we are proposing to expend $500 a year more, besides the amount that is to be paid in addition after the limit of five hundred pages is reached. Feeling, as I do, that I have been opposed to these reporting arrangements of the past, it is but fair that I should say that I have no fault to find with the manner in which the reporters have discharged their duties. I think the reports have been marked by a wonderful degree of accuracy, and the single objection I should make to them is their diffuseness. That is an objection that is not likely to be removed under the present proposition. Therefore, while I cannot express my satisfaction with the report which has been submitted by the Debates Committee, I think, on the whole, I should not be justified in setting my will against the opinion of the Committee and the majority of the House.

Hon. Mr. SCOTT.—The Committee in making the report are quite aware that it could not be received with unaminity by the House. It has been a vexed question, and here I might observe that if it is the opinion of this House that any better system could be adopted I should hope they would not, out of any sentimental compliment, hesitate to express its opinion. We feel the difficulties to be overcome as much as hon. gentlemen do. The hon. Senator from Prince Edward Island thinks the publication in a newspaper has advantages over the proposed system. That is quite true, and if we could secure prompt publication in the columns of a newspaper we would continue the present arrangement. But it is because it was impossible to get a paper here to publish heavy reports with reasonable promptitude that we were forced to adopt the only alternative, which is contained in this report. How does the present system work? If any gentleman will take the trouble to read the *Citizen* three weeks hence, he will be inclined to think that the Senate is still sitting. I have often been chaffed by people who have seen the reports appearing day by day after prorogation, and asked if the Senate had not yet adjourned. This year they are much better up; they are within a week, but still a delay of a week is entirely too long. Bills come up here and are discussed, and it is very well known that after they pass the final stages the public cease to take any interest in them. It is only while public opinion can affect the legislation of the country that the people take an interest in the debates. As it is now, if the public were to rely for the information they get of our doings on the only channel through which they are officially communicated, the business would be passed and gone before they would have an opportunity of expressing an opinion upon it. That is the great defect of the present system. I am quite prepared to say that the contemplated change is not one which meets my entire approval, but we are forced to adopt it, unless we appropriate a much larger amount for the service. The only way in which we could meet the views of the whole House would be to secure the publication of a report in some of the leading newspapers promptly after the speeches are delivered. We cannot obtain that under the present financial basis, but we are promised that the speeches will be published within twenty-four hours, and that a portion of the first edition will be distributed to the newspaper press of the country. They will go all over the Dominion within two mails after the speeches are delivered, so that the newspapers can publish them if they choose.

Hon. Mr. AIKINS — If I understand the report, it will be the unrevised edition.

Hon. Mr. SCOTT — We would only have to speak with more care. We know that in regard to the House of Commons it is the unrevised edition that is read by the public. The members of that House have not the opportunity of revising any reports that go to the public. Speeches are delivered late at night. They are rapidly transcribed by the stenographers into long hand, sent over the wires and pass into the printers' hands, and appear the following morning. The members no doubt find that they are made to say a great many things for which they would not like to be held responsible.

Hon. Mr. DICKEY — That is only a summary.

Hon. Mr. SCOTT — It is only a summary that the public read. The general public do not read the revised reports of the House of Commons debates. The speeches which the public read are the summaries flashed over the wires and the unrevised edition of the House of Commons debates. The only speech that is ever carefully prepared and delivered to the country is the Budget speech. When any member of the House delivers an important speech he takes care to revise it, and have it published on his own account. But if hon. gentlemen want to revise their speeches before they are published I can only say that they will be very old news before they appear in print. I know I am one of those who, after delivering a speech, do not wish to read it again, and I think most hon. gentlemen who have to speak very often, find it too much labor to read over their speeches unless they want them to be made of record. So far as the transactions of this Chamber from day to day are concerned, it is really impossible that they can go to the public in a short time if we are going to revise them. One gentleman is quite ready with his speech, and another may not be able to look at his for some time, and in that case the whole report must be kept back. The revision before publication is impracticable. As a member of the Committee, I shall be exceedingly glad if the House can suggest some system which will be more universally approved than this.

Hon. Mr. DICKEY — If it be true, as the hon. gentleman says, and I have no doubt that his opinion is correct, that the general public will not read the *Hansard*, why is it that we are going to such an enormous expense to circulate a *Hansard* over the country.

Hon. Mr. SCOTT — When I speak of *Hansard*, I use the term in contradistinction to the sheets containing the unrevised edition which is distributed promptly. In addition to our suggestions, I hope next year we will see our way to the adoption of a summary that will be inserted in four or six leading newspapers. I understand that it will not cost a very large sum of money, and there will be only the embarrassments of the preparing of that summary. But that is a matter entirely independent of this *Hansard*. We want an official report. Hon. gentlemen are constantly turning up the speeches delivered in former sessions, and we cannot carry on the business of the country without being bound by our statements. What we did and said last year are matters of importance in the debates this year, and it is for that reason that we ought to have a correct *Hansard* to which we can refer at any moment.

Hon. Mr. KAULBACH — I must say I prefer the existing arrangement to the one that has been proposed. I think we secure greater publicity by the publication of our debates in the *Citizen*, because that newspaper exchanges with all the leading journals of the country. Under the new system the reports which go to the public cannot well be accurate, at least as regards dates and figures. These inaccuracies will create erroneous impressions which cannot easily be removed. Once an inaccurate report is published it will get into other papers, it will be almost impossible to correct it, certainly the public will not see the corrections, and there will be little satisfaction in having it thereafter appear in proper shape in the *Hansard* volume simply as a record. Considering the amount of money which we are expending on this service (and I think it is well expended), I do not think that the proposed arrangement will be satisfactory or will give the same publicity that is secured by the present system. My conviction is that we are not adding to the importance of the Senate, the interest taken in its debates or their accuracy, by the proposition made by the Committee, and I am prepared to vote against it and continue our present arrangement, which gives general satisfaction.

Hon. Mr. DEVER — I feel some delicacy in opposing the report of the Committee. I have no doubt they took the greatest possible care to devise the best system they could, but I must say that I am opposed to any change from the present arrangement, which has proved so satisfactory. I think it would be unfortunate for members of this Senate to be deprived of the opportunity of revising the reports of their speeches before they go to the public, because if they go in an imperfect or uncorrected state it will be impossible to remove or revoke the wrong impressions which they will create. Then, as to publicity, I cannot for the life of me see what publicity a few sheets of paper sent through the mails could give. Under the present arrangement we receive the *Citizen*, containing the reports of our speeches, on coming to the Senate in the morning; and we can send copies of the paper in large numbers to our friends, and in that way a good impression is created, and the business of the Senate is made known all over the country. The plan proposed by the Committee is not new. We had something similar to it in the session of 1878, and I can recollect at that time there was a very poor impression abroad with reference to this House. Since we changed the system there has been a marked improvement in public opinion in reference to the Senate, and the people entertain a different feeling for this Chamber. Three years ago it was quite a common thing to apply the most offensive epithets to this House; one gentleman going so far as to characterize it as an asylum for broken down politicians. I am sure the expressions of this House are looked for with the greatest interest by the people, who believe that we give serious and careful consideration to the subjects which come before us. I cannot conceive that it would be possible to improve on the present plan. It has given general satisfaction, and brought about a unity of sentiment amongst the several members of this House. I am not aware that a single gentleman has a feeling that injustice has been done to him, and that is an important matter in a House of this description. It is better that this good feeling should exist than that any portion of the members of the Senate should feel that injustice was being done them because they happen to be in the minority. If the new system is adopted and members are not given an opportunity to revise their speeches, they will feel that they are not bound by their utterances as reported. Under the circumstances I certainly feel anxious to continue the present arrangement until the Committee can offer us something better.

Hon. Mr. McLELAN — I should like to know if the Committee have made any inquiry as to the cost of getting a half column or column summary published in some of the leading papers in Toronto or Montreal. I think that is the only way to get publicity for the proceedings of this House. The edition, I see, is to consist of 1,200 copies, of which 700 are to be distributed and the remaining 500 are to be revised and bound. That must involve a very considerable expense, and I should like to know whether for the same amount of money we could not subsidize the leading papers in Toronto and Montreal to publish a daily summary and whether such publication might not be substituted for the 700 copies that are intended for distribution?

Hon. Mr. MACFARLANE — I may say that we did make inquiries, but were not able to get any satisfactory reply. If you leave it to the Toronto and Montreal papers to send their reporters, what would you very probably find? There would be different reports, and you would not have satisfactory summaries. Every hon. gentleman knows that it is very difficult to get correct summaries of debates. The leading newspapers are represented in the other House, and publish summaries to suit their readers. That would not be satisfactory in this House. The Committee are not wedded to the system recommended in the report, nor will they consider it at all offensive if the House should adopt a different arrangement. By this plan the speeches appear in print the day after they are delivered. If they contain inaccuracies they can be corrected for the bound edition.

Hon. Mr. DEVER — But the harm is done.

Hon. Mr. MACFARLANE — The correction will go as wide as the harm. But under any circumstances we certainly ought to be prepared here to depend as much upon the reports of our speeches as members of the other House, who never see the reports until after they are published from one end of the Dominion to the other. Not only have they no opportunity to revise them, but they have to risk the errors incidental to the transmission of hastily prepared reports over the wires at a late hour in the night. If any serious errors occur they can be corrected by a statement in the House, as is often done in the other Chamber.

The report was adopted.

EUROPEAN, AMERICAN, CANADIAN AND ASIATIC CABLE COMPANY'S BILL.

CONCURRENCE IN AMENDMENTS.

Hon. Mr. SCOTT moved concurrence in the amendments made by the House of Commons to Bill (F) "An Act to incorporate the European, American and Canadian Cable Company (Limited)." He said: The changes made are, in the first place, to the title, introducing the word "Asiatic," and more definite power is given to the Company to lay a cable to China and Japan. The clause restricting the rate to 50 cents a word has been struck out and a clause substituted authorizing the Governor in Council to fix the rate, and from time to time to alter the same. Several clauses in the Government Bill are introduced, giving special preference to Government messages, and in favor of not only the Canadian Government, but also the Governments of such other countries as the cable may connect with, giving them special advantages and privileges.

The motion was agreed to.

DOMINION LANDS ACTS AMENDMENT BILL.

SECOND READING.

Hon. Mr. AIKINS moved the second reading of Bill (77) "an Act to amend the Dominion Lands Acts."

The motion was agreed to, and the Bill was read a second time.

The Senate adjourned at 6.10 p.m.

THE SENATE.

Friday, March 18th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

THE CREDIT FONCIER FRANCO-CANADIEN BILL.

THIRD READING.

Hon. Mr. ALLAN, from the Committee on Banking and Commerce, reported Bill (31) "An Act to enlarge and extend the powers of the Credit Foncier Franco-Canadien," without amendment.

Hon. Mr. GIBBS moved the third reading of the Bill.

Hon. Mr. DICKEY — I think the House should pause before reading the Bill a third time, for reasons which I shall briefly state. It is not my intention to enter into an argument, but simply to state my reasons for opposing the third reading. My contention is that the effect of the Bill will be to give legislative sanction and recognition to the statute passed by the Legislature of Quebec, which some of us think to be *ultra vires*, and contains provisions that would not be entertained by this House were they embodied in the Bill which is now before us. I think it is quite clear that this Bill, if it passes, will give legislative sanction to that Act, at all events, to this extent, that it will not be in the power of persons opposing that Act hereafter to say that it is *ultra vires*. When I made the point the other day I was told by the mover of the Bill that the Quebec Act had nothing whatever to do with this Bill. I was surprised at that somewhat broad — I will not say bold — assertion, and I waited to see what explanation could be given of it. My hon. friend, very soon afterwards, was answered in this way, that the Quebec Act must either be a part of the Bill, or not; if it was a part of the Bill, then it was clearly *ultra vires*. If it were not a part, then this Bill provided for no capital for the Company, and there were no provisions for its organization and no regulations except those mentioned in the Bill, which did not cover the ground at all. When I made that contention my hon. friend advanced a step further and said that the capital stock would be found in the Quebec Act. That is a very fair answer and I do find it in the Quebec Act. But what I contend is that my hon. friend cannot refer to the Quebec Act for one purpose, and say that it is not before the House for another purpose. The hon. gentleman has already opened up the matter a little further by calling attention to another section of the Bill unintelligible without reference to the Quebec Act, which I say is an essential ingredient in this legislation — that is sub-sections 3, 4, 5 and 6; they are all cognate. They all relate to the Board of Management; the third clause is as follows: "For the management of business each province, other than the Province of Quebec, shall form a division, but the Board of Management may, if it deem proper," do so-and-so. What Board of Management? There is no Board of Management mentioned in this Bill and we must go back to the Quebec Act, and find by looking at a great many sections there what this Board of Management is and what are its functions; therefore these sub-sections prove that the Quebec Act is bound up in this and is an essential part of it. My hon. friend referred me the other day to the Montreal Building Association as a precedent for this legislation. I had not an opportunity of answering him under the rule of the House, because I had spoken on the amendment, but that reference is entirely beside the question. The Act recognizing the existence of the Montreal Building Association, like all other Acts recognizing the existence of companies chartered elsewhere, was based on the principle that there was nothing in those Acts to contravene the legislation of the Dominion — that there was nothing objectionable in them, and so far it was quite unnecessary to repeat all the provisions of that Act, because the recognizing of this Building Association carried with it all the legislation in the charter or Act by which this Company was incorporated. But this is a very different thing. Our contention is that, while that was the case with regard to the Montreal Building Association and other Acts, it was unnecessary to report the provisions of those Acts, for the plain reason that they were contained in the Act which incorporated the Association. In the same sense I contend that this Act when passed does sanction the provisions made in the Quebec Act of 1880. This is the objection which I entertain on that point. When we come to consider the Bill a little closer we will find it is open to very considerable objection, as has already been pointed out. The great point which was pressed before the House, and which was recommended to the House, was the fact that hereafter there was to be a great boon to the people of this country in the reduction of the rate of interest on loans. When we come to apply that test to the provisions of the fourth sub-section of this Act, which authorizes the Company to acquire, by assignment or purchase, bonds, mortgages and hypothecary or privileged claims, being a just charge upon real estate situated within the Dominion of Canada, the House will see at once what the effect of that will be. The effect of it will be that this Company can purchase by assignments, mortgages, bonds and other instruments, bearing interest, it may be, of 7, 8 or 10 per cent., These are consequences entirely separate from the debentures, and other instruments mentioned in sub-section five. They are empowered to purchase them and use them, and to collect all the objectionable interest upon those securities beyond 6 per cent. Now, when we look at the practical effect of this, we shall see it to be just this: this Company, the Credit Foncier, will not be very likely to take 6 per cent. when they can get 7 or 8, or more, and my purpose is to show the House how they can easily get more. In my Province the legal rate of interest on mortgages is seven per cent. only. It is lower than in other provinces ——

Hon. Mr. DEVER — It is only six in New Brunswick.

Hon. Mr. DICKEY — That is where there is no contract made. In Quebec it is eight per cent., I believe, and when we go to Ontario I find that mortgages are taken with a still higher rate of interest. All those mortgages can be purchased by this Company, and in that way they can get a higher rate of interest, and consequently they will confer no benefit to the people of this country. What will be the other effect of this? It will be that the object of this Act, which is to get the rate of interest down to six per cent., can be evaded by parties taking mortgages and transferring them over to the Company, and in that way enabling the Company to collect a higher rate of interest than they could collect on loans, because these are not loans, they are purchases. My hon. friend the promoter of the Bill has candidly stated that they intend to have power to go into the market and purchase these securities. I point this out to show that the limiting of the rate of interest on loans does not amount to much after all, because they have power to go into the market and purchase mortgages bearing a higher rate of interest in the manner I have stated. Then, my hon. friend, in the debate of yesterday, remarked "Why not let the Bill go to Committee, and let it be amended if necessary?" When those amendments were proposed in Committee they were voted down, and this Bill comes before the House now without amendment, although it might have been modified in such a manner as to command the more general support of the House. Every suggestion that was made in Committee was opposed, and every amendment offered was voted down on the plea that it would kill the Bill. A suggestion has been made that the operations of the Company should be confined to certain provinces; that was considered objectionable and voted down, and the Bill comes back to us with none of its objectionable features removed. I do not wish to go over the ground again, in any way, except to say this: My hon. friend who spoke last night, in reference to the Quebec Act being a local and private measure, could not have looked closely at the Bill; if he had he would have seen that there were two objections to it — one that it related to business transactions in a foreign country, and the other that it professes to recognize these obligations and securities taken in the currency of another country. My hon. friend will surely admit that so far as currency is concerned, without speaking of legal tender, the Bill is objectionable. The currency of Canada is fixed by law, and this Bill proposes to fix another currency, and regulate business to be conducted in that currency, not only in this country, but abroad, and therefore it is not a private and local Bill, as has been stated. Under these circumstances, I think, the House should pause before passing the Bill. It is difficult to forecast the effect of such legislation when it has only been discovered to-day that the provisions of this measure (and I am now confining myself to the Bill before the House without looking at the Quebec Act at all) will enable these parties to deal with securities of this country in such a way as to obtain a higher interest than 6 per cent. Then there is another provision in the Act of 1880 of the Quebec Legislature, which I contend is essentially a part of this Bill, and which will, no doubt, be the cause of contention hereafter should any question arise of *ultra vires* in connection with it. It expressly enacts that the Company shall hold its charter for the term of ninety-nine years, unlike any other act to which my attention has been directed in this country. The effect of that will be after this solemn legislation no application for a modification of that Act can reasonably be made. If any legislation should be suggested in the future, we will be met with the statement that they have an Act on our statute book which is to be in force for ninety-nine years. It is true that Parliament has paramount power in dealing with such matters, but I think we will find it difficult to make any amendment, even though we should find the Act more onerous and less beneficial than we expect it will be to the people of this country. We have had a sufficient experience of the working of the Quebec Act to show that this Bill will enable these parties to defeat the great object which commends it to the members of this House — that is, that they shall only exact for their loans a limited rate of interest, not exceeding six per cent.

Hon. Mr. MILLER — I do not intend to follow my hon. friend in all his observations, because he has said nothing new, and has advanced nothing that was not stated in objection to the Bill, either when the House had it under its consideration at the second reading, or before the Committee on Banking and Commerce. All the arguments that my hon. friend has urged just now against the third reading of the Bill were fully urged in the second reading. Certainly I can say that before the Committee all the amendments suggested against the Bill were voted down by large majorities. My hon. friend has taken exception, as he did the other day, to this legislation, because he contends we are going to re-enact the legislation of the Province of Quebec. The whole of my hon. friend's reasoning is based on this fallacy, and when that is refuted, the House will have no difficulty in seeing that the opposition he endeavors to excite against the measure can have no real foundation. Under what circumstances does the Quebec Act come before us at all? It comes before us in the first, and, I think, the only place, by a reference in the preamble of the Bill. I have yet to learn that, when a reference is made to an Act of a provincial legislature in a bill before this Parliament, that it is a re-enactment of the provisions of the Act so referred to. I cannot understand how any person, so clear and logical as my hon. friend usually is, can come to the conclusion that the mere reference to an Act of the Local Legislature is a re-enactment of that Act. The preamble of the Bill says: —

> "Whereas the Credit Foncier Franco-Canadien, incorporated by the statute of the Province of Quebec, passed in the session of the Legislature of that Province held in the forty-third and forty-four years of Her Majesty's reign, chapter sixty, intituled 'An Act to incorporate the Credit Foncier Franco-Canadien,' has prayed for an extension and enlargement of its powers."

That is, has prayed for powers from this Legislature, which it does not possess from the Local Legislature, "so as to allow it to transact business throughout the Dominion." It has prayed for the enlargement of the powers which it possesses under the Act of Incorporation of the Province of Quebec so as to permit it to transact business in the other provinces of the Dominion. Now, this is the only reference to the Act of the Quebec Legislature to be found in this Bill, and I cannot understand how any one can put such a construction on the phraseology of that preamble as to say that it re-enacts all the provisions of the Act of the Quebec Legislature. I certainly think the case is so clear that it is almost an insult to the intelligence of the House to attempt to argue it. But I do not stop there. I ask hon. gentlemen who have a copy of the Bill in their hands to take it up, and they will find not only that the inference could not be drawn which my hon. friend attempts from the preamble, but in the very first clause the contrary is provided for, and asserted and enacted by the Bill. What does this clause say: —

> "1. It shall be lawful for the Corporation created and constituted under the name of 'Credit Foncier Franco-Canadien' by the statute of the Province of Quebec, cited in the preamble, to exercise the powers hereinafter mentioned in every part of the Dominion of Canada."

That is, the powers mentioned in this Bill in every part of the Dominion of Canada. I ask can anything be more clear and explicit than the language of this clause which restricts the powers that we give to this Company to those enumerated in this Bill, outside of the Act of the Quebec Legislature. Not only do we not re-enact the legislation of the Province of Quebec, but we provide that we shall not re-enact it; but that we shall enact only that which is before us. With regard to another point, my hon. friend contends that the Company cannot get along with the Bill without a reference to the Quebec Act, because there is no capital mentioned in this Bill. Well, that is a different thing from re-enacting that Act. It is perfectly competent for this Parliament to refer to the existence of the Quebec Act, or to refer to the provisions of that Act as existing facts which it desires to be taken in connection with this legislation, and thereby to recognize them to that extent, as it would do, and as this Bill is limited to in the first clause, if it is necessary. Therefore, I say, with respect to the question of capital my hon. friend's argument can have no force. Then, with regard to the Board of Management, my hon. friend says the creation of a board of management is provided for by the Quebec Act. I admit that, and I admit that we refer to the Board of Management in this Bill. But by referring to it we only recognize its existence under the Quebec Act; it gives it no power further than is conferred by this Bill. We are not re-enacting the Quebec Act, and it is by keeping that position clear in our minds that the House can have no difficulty in perceiving the fallacy which runs through the whole of my hon. friend's argument on this question. He says all the amendments to this Bill were voted down in Committee. They were voted down, and by large majorities, and I think a Committee of this House such as the Banking and Commerce Committee is quite competent to investigate a measure of this kind Now, with regard to the other point raised by my hon. friend to the 4th section: He says under that section the Company will have power to charge and obtain a higher rate of interest than six per cent. That matter was fully discussed before the Committee. I do not agree with my hon. friend, for this reason. Suppose A mortgages to B, at seven per cent, and the Company buys that mortgage from the mortgagee, the mortgagee is then held as security for a loan from the original mortgagor to the Company.

Hon. Mr. FERRIER — It may be a purchase.

Hon. Mr. MILLER — Of course it will be purchased. I care not what you call the process by which it is acquired, but once acquired the money due on that mortgage is a loan due by the original mortgagor, and, as such, subject to all the rules of the Association and the provisions of this Bill. What does the 8th section say on that point?

"8. The Corporation may stipulate for, exact and take on all sums loaned, any rate of interest not exceeding six per centum per annum.

"When the loan is repayable by way of a sinking fund, the Corporation shall stipulate for, exact and take an annual sum for the gradual extinction of the loan, to be determined by the rate of interest and the duration of the loan, and may also stipulate for, exact and take a percentage or commission for cost of management not exceeding one per centum per annum on the principal loaned; but in such case such percentage or commission and the interest together must not exceed six per centum per annum on the principal loaned."

Therefore, it is evident that under that 8th section on the principal loaned by this Company to any person they cannot charge more than six per cent., including commission and other expenses.

Hon. Mr. FERRIER — Suppose the bond or mortgage is at 8 per cent., do I understand from the hon. gentleman's argument that the individual who has to pay eight per cent. on that loan will have it reduced to six per cent. by the purchase of the mortgage by this Company?

Hon. Mr. MILLER — Yes, they cannot exact more than six per cent. The result would be the security would virtually be changed, because it would be contrary to the provisions of the Bill if they were in any way, by any subterfuge, to take over six per cent. It has been said by my hon. friend that the rate of interest in one of the provinces is seven per cent., and in others money can be got for six per cent. Although the rate of interest in the Province from which I come is seven per cent., it does not include the cost of conveyancing.

Hon. Mr. DICKEY — Neither does this.

Hon. Mr. MILLER — I beg the hon. gentleman's pardon; this includes costs and commission of every kind. I know that there is no sympathy amongst capitalists for this Company. This Bill is for the benefit of the masses and not of those who have money to lend and who are accustomed to getting eight, ten and even twelve per cent. for it. It makes a very great difference when costs devolve also on the lender. Now, it was said that some portions of the Dominion desired not to have this Bill, but the exemption was refused them on the Committee. I was very glad that it was refused. We have heard such complaints from the Province of Nova Scotia and from other provinces, but I, for one, in the first place, do not approve of this partial legislation. I do not approve of drawing lines of this kind, especially in matters relating to trade and commerce between the different provinces. I think, on the contrary, we should on all occasions try to obliterate the lines which have existed. That should be the policy of this Parliament, and not by sectional legislation try to keep alive these differences which divide us and prevent us from becoming one people in feeling and in fact. But, more than that, there is no portion of this Dominion, perhaps, excluding the North-West Territories, where a measure of this kind will be more acceptable to the people than the Provinces of Nova Scotia and New Brunswick. It will relieve the borrowers in those Provinces — especially in the rural districts — from the grip that the money lenders have upon them; it will relieve them from persons who are in the habit of shaving notes and extorting usurious interest from poor people. I will take the Province of Nova Scotia as an illustration: In Halifax, it is easy to get money at a reasonable rate of interest. Real estate in Halifax has always a marketable value; but it is not so easy a matter in the rural districts. Halifax capitalists will hardly ever go out of the city, where they have their securities under their eyes every day of the week, they are so enterprising, and therefore the country borrowers are thrown altogether upon the local lenders, and these men, in the different counties of a sparsely settled and not a wealthy Province like Nova Scotia, are few. They have the counties in their grip, and charge what interest, practically, they like. If nothing more can be charged openly than seven per cent., other means are found to charge more, until the interest comes up to nine or ten per cent. I say, therefore, in the Lower Provinces a measure of this kind will be a great boon to that class of people who desire to borrow small sums to improve their farms. And it is the more so on another account: We have not in Nova Scotia and New Brunswick these loan societies which exist in Ontario, and which perform the service I have just now mentioned for the rural districts in Ontario and Quebec, and, consequently, our farmers are unable to borrow money at reasonable rates of interest. Instead of excluding us from this legislation, we in the smaller provinces should be the most anxious to have it. The Bill has been carefully considered by the Committee on Banking and Commerce, comprising some of the leading commercial men of the House. They allowed even the principle of the Bill to be discussed in Committee, which is not usual, and allowed amendments to be moved affecting the principle of the measure, and, as all those amendments were voted down by large majorities, and as it is not desirable that this Bill should be killed by a side wind in the shape of unimportant amendments that would have the effect of sending it down to the other House, and would possibly lead to its being defeated or dropped, I do hope that the House will see fit to adopt the Bill as reported from the Committee on Banking and Commerce, as it stands.

Hon. Mr. DICKEY — I would draw the hon. gentleman's attention to the provision in the Act that "all costs and expenses rendered necessary for a loan or transfer shall be defrayed" by the party borrowing.

Hon. Mr. MILLER — But all these costs, by the 8th section, are to be included if the application for the loan is accepted, in the 6 per cent.

Hon. Mr. DEVER — When I spoke against this Bill last night I really had not read it through, but after carefully examining it I find that it is not of a nature to injure the Maritime Provinces, and therefore I shall vote for it. I regret that the last speaker has thought fit to make an attack on the money lenders of New Brunswick, I feel it my duty to say that there is not now and has not been for many years in New Brunswick an excessive rate of interest charged for money. Any quantity of money can be obtained there at 6 per cent. During the re-building of St. John, I am not aware of many cases in which money could not be procured at that rate.

Hon. Mr. MACDONALD — If this Bill does not re-enact the Quebec Act, and there is no capital mentioned in this Bill, how can the Company borrow on a capital which does not exist?

Hon. Mr. MILLER — We enact the capital of this Company by referring to the Quebec Act which specifies the capital, and for that purpose the reference is covered by the first clause of the Bill.

To that extent we approve of the Quebec Act.

Hon. Mr. MACDONALD — Then it is simply on an indication that we give them power to borrow five times the amount of their capital!

Hon. Mr. MILLER — Yes.

Hon. Mr. HOPE — This Company somewhat ostentatiously professes to lend money at a rate not exceeding six per cent., and the hon. gentleman who addressed the House at such great length, endeavored to prove that no higher rate would be exacted for any money loaned by this Company. In order to test the good faith of the Company and the promoters of the Bill on this point, an amendment was moved in Committee binding the Company to six per cent. on all purchases by way of assignment of mortgages, but they opposed it, and said they wished to go into the open market and purchase mortgages at the best rates they could. It seems to me that this Bill just places the Credit Foncier in the same position that lenders occupied in Ontario prior to the repeal of the usury laws, when the rate was limited to 6 per cent. The way it was got over was this: If a man wanted a loan he prepared a mortgage in favor of a friend, and if it was for a year, say for $100, at six per cent., he sold it to the money lender for say $90, and, if the lender got it at a discount of 10 per cent., he was getting 16 per cent. for his money. The Credit Foncier has a right to do that to any extent. I do not believe in limiting the rate of interest. I would leave the rate to be fixed in the markets of the world. But these people ostentatiously proclaim that they intend to loan at a rate not exceeding 6 per cent., irrespective of the price that money may command in the market. I think we should prove the sincerity of the Company, and I would suggest an amendment to this effect: To add the following to sub-section 4: "And any securities assigned to such Corporation shall not be taken by way of discount or otherwise to yield a greater rate of interest to said Corporation than six per cent. per annum, and any amount taken in excess of said six per cent. may be recovered back by the assignor in any court of competent jurisdiction." If they are sincere, what objection can they have to embody this amendment in the Bill? If they say, "We want to buy in the open market," I will withdraw the amendment; but I do not want them to profess one thing and do another.

Hon. Mr. READ — I look upon this Bill as an exceedingly desirable one, and I do hope that this House will not by the adoption of any amendment prevent its passage this session. It is very desirable in the interest of the masses of the people of the Dominion who are engaged in agricultural pursuits that it should pass. Their returns do not come round every month, and sometimes not for years, and it is a matter of deep importance to them that there should be competition amongst lenders in this country. No better security can be found anywhere than is offered by the lands of Canada. When we see French capitalists coming among us, I hope we shall not by any side wind prevent them from investing their money here. I was surprised the other day, in reading a statement of the amount of bullion held in the countries in Europe, to find that France held over £70,000,000 in the banks, while England held only £27,000,000 in banks. France seemed to have more specie than all the rest of the world. They are looking round for investments for this vast amount of money, and there is no safer or better field for them than Canada. I hope nothing will be done by this House to keep them out of the country.

Hon. Mr. DeBOUCHERVILLE — I do not intend to re-open this discussion, but I think I may be allowed to answer the hon. gentleman who has just sat down. He has applied the term "side wind" to the amendments which have been proposed in this Bill. What I wished to do was to send the Act passed by the Legislature of Quebec to the Supreme Court. The hon. gentleman says the more of these companies we have the better. I agree with him there, and it is just because this Franco-Canadien Company by some means got the Legislature of Quebec to enact a clause by which no other French society can be incorporated in that Province that I opposed it and wanted to have it referred to the

Supreme Court. It was not a side wind, but merely a motion to obtain the opinion of the Supreme Court on the constitutionality of such a monstrous clause, preventing French capital from coming into the Province of Quebec.

Hon. Mr. FERRIER — I may say that in seconding the amendment I did so for no other purpose than to have the opinion of the Supreme Court judges for the security of both lenders and borrowers. When it was made clear to me yesterday that the Supreme Court could not take up the reference so far as the Quebec Legislature was concerned I had nothing more to say on the subject. I do not want, however, to have a wrong impression created in the minds of members of this House that this Company is not going to make more than six per cent. The hon. gentleman who has charge of the Bill stated what is quite correct — that the Company is free to buy and sell as much as any individual. If a mortgage is offered them at a discount they will receive a proportionately higher rate of interest. The Committee had that fact before them, and the House should understand it too — the Company will get exactly the value of the purchase they make. Their object is to make as much money as they can by their investments.

Hon. Mr. GIBBS — Whilst the hon. gentleman from Montreal has very correctly stated what my opinion was, as I gave it to the Committee, I, at the same time, stated that the promoters of this Bill, one of them being then present in the Committee room, came to me, and said that both he and his partner in Montreal had come to the conclusion that they could only exact six per cent. under any circumstances, even when they purchased mortgages, and that the view they held was the same as that entertained by the hon. Senator from Richmond.

Hon. Mr. DICKEY — If that is the case, then what is the harm of adopting the amendment?

Hon. Mr. GIBBS — It is simply this: if it is now law, there is no necessity for the amendment, and another thing, the object of proposing the amendment is to defeat the Bill, and there can be no other object in view. If any person sells a mortgage to this Company, and the view of the hon. Senator from Richmond is correct, there is no doubt it will very soon be decided in the courts, and, if his view is correct, the mortgagor will pay no more than six per cent. I know this view has been held already — that companies who are limited to a certain rate of interest cannot, even when they buy a mortgage with a higher rate of interest, collect more than the amount to which they are limited in their charter. That is the advice that has been given by eminent counsel to some of the best companies in Canada. What I contend is that I believe the construction I place upon this clause is a proper one. If anybody comes and offers this Company a mortgage bearing seven or eight per cent., they can buy it if they please at any rate agreed upon. I do not believe anybody is going to sell a mortgage at 50 per cent. discount, unless it is a very bad security. This Company proposes to lend money at 6 per cent. on very stringent conditions, stated in the Bill. There are two ways in which it can loan. It must come under all the conditions in the second clause before the Company can loan at 6 per cent., and then it is only to a certain amount. This Company does not expect to buy mortgages in the way the hon. gentleman supposes. It is a Company with $5,000,000 capital, and it is going to do business in a way that any other company does. It will lend money at 6 per cent., and it may buy mortgages or bonds to yield 7 or 8 per cent.; that is my interpretation of sub-section 4 of clause 1.

Hon. Mr. SCOTT — I think there can be no doubt whatever that this Company can purchase mortgages at any price stipulated between the holder of the mortgage and the Company itself, and it makes no difference whether that mortgage bears six, or seven, or eight per cent. The question as to their power to enact more than six per cent. on such mortgages is one that I am not prepared at this moment to answer. It will be admitted that in construing the statutes it is an invariable rule, where a subsequent clause in any way conflicts with the preceding clauses, the subsequent section prevails. The Company are given a general power to acquire by assignment, and the clause is perfectly silent about the rate of interest. Now, in the eighth clause, the Corporation may stipulate for, exact, and take six per cent. on all sums loaned.

Hon. Mr. DICKEY — "Loaned."

Hon. Mr. SCOTT — I am disposed at this moment, without expressing any decided opinion, to think that the courts would consider that the Company having acquired a mortgage would stand in the position of the mortgagee, subject to the conditions of the Company's charter, one of those conditions being the restriction of interest to 6 per cent. They are not entitled to buy that mortgage under the terms of their charter, and, as there is a clause regulating the rate of interest, I am of opinion that the courts would restrict them, in any proceedings they took to recover that mortgage, to the rate they laid down themselves in their own charter. The words are not simply to stipulate for and exact but to "take." The word "take" is used in the large sense there — what they may take is interest on mortgages at six per cent. The point is not one of very great significance or importance, because I find under the provisions of this charter they are compelled to take the principal money whenever the borrower wishes to repay it, by charging three months' interest, and if it is found that they are charging a higher rate than six per cent. the position of the mortgagor is improved in this way: that whereas under ordinary mortgages a party having given a mortgage to run for ten or fifteen years is precluded from paying it off until the expiration of the term, under this Act the mortgagor can pay it off at any time, if he can get better terms elsewhere. Now, I maintain that is a safety valve. If the Company, after having purchased, say, an eight per cent. mortgage, were to attempt to exact eight per cent., it is perfectly open to the party to pay off the mortgage with interest for three months. Now, in reference to the other point that has been raised by the hon. Senator from Amherst, I entirely agree with the observation which fell from the hon. Senator from Richmond, and if I supposed for one moment, in giving my vote on the second reading of this Bill, that I was, in any way, approving or confirming the legislation of Quebec I certainly should not give it; but it is because I believe and am thoroughly satisfied that we are doing no more than enacting the provisions in this Bill that I give it my support. It leaves the question whether the Quebec legislation is within the purview of the Quebec Legislature entirely free. Our legislation does not lend any force to the Quebec law if it is *ultra vires*, and it would not, in my opinion, affect any court in giving a judgment upon a question arising under it. There would be this effect however: if the Quebec legislation was shown to be *ultra vires* of the powers of the Provincial Legislature, this Act could not be put in operation. I think, myself, that the promoters of this Bill erred very seriously when they did not present a perfect measure to Parliament. It would not have embraced many more clauses, and it would have given to the Bill in full. I do not consider it us that degree defective that it would induce me at this stage to throw out the measure. Had it been introduced earlier in the session, I should have taken the ground that the promoters should re-cast the Bill, and then I would have no hesitation in giving it my support. I do not consider the objection strong enough, however, to warrant me in opposing the Bill now, and for that reason I shall give it my support.

The Senate divided on the motion which was agreed to by the following vote: —

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The Bill was then read the third time and passed.

CREDIT FONCIER OF THE DOMINION BILL.

THIRD READING.

Hon. Mr. ALLAN, from the Committee on Banking and Commerce, reported Bill (32) "An Act to incorporate the Credit Foncier of the Dominion of Canada," without amendment.

Hon. Mr. VIDAL moved the third reading of the Bill.

The motion was agreed to and the Bill was read the third time and passed.

THE BEVERIDGE AND TIBBITS' CLAIM.

REPORT OF THE COMMITTEE ADOPTED.

Hon. Mr. READ moved the adoption of the report of the Select Committee appointed to inquire into the circumstances of a debt alleged to devolve upon the Dominion Government by the British North America Act, and said to be now due to the Hon. Benjamin Beveridge, James Tibbits, and others, but the payment of which is withheld for some cause unknown. He said: The Committee have thoroughly examined this matter, and have taken a great deal of pains to arrive at a correct conclusion. The report, which appears in the minutes, is very voluminous. The Committee were unanimous in arriving at this conclusion :—

> "Your Committee, therefore, after careful examination of the whole question, have the honor to report:
>
> "1st. That a balance of £5,404 11s. 2d., or $21,618.25, was due by New Brunswick to Canada on the 12th November, 1856.
>
> "2nd. That the said balance has been regularly ceded, transferred and assigned to the claimants by the late Province of Canada, viz., the Provinces of Ontario and Quebec, to indemnify them and settle the claims that they held against Canada."

Hon. Sir ALEX. CAMPBELL—When this Committee was granted by the House I took occasion to say that the Government of the Dominion could not be bound by any decision at which they might arrive, because if the debt came to be paid it would have to be charged against the Government of New Brunswick, and that Government was not a consenting party to the reference. I can only repeat that now. I cannot see what object there can be in asking the Senate to adopt the report under the circircumstances. It always seems objectionable, and it is not dignified, to ask the House to adopt a report which cannot be attended with any action. At the same time I do not oppose the motion. I would suggest to my hon. friend who has charge of the matter that it would perhaps be more in the interest of the claimants not to ask the House to adopt the report. The claim cannot be paid without the assent of New Brunswick, and it does not seem to me that the course which is now pursued is likely to conciliate New Brunswick in any way. I think it would be much better to leave the matter in the hands of the Government.

Hon. Mr. READ—In asking the House to adopt the report I have a precedent to guide me. Some years ago I was appointed chairman of a Committee of a somewhat similar nature to this. A report was brought in recommending the Government to pay a certain amount of money. The report was adopted and the Government did pay the money.

Hon. Mr. SCOTT—I protesting.

Hon. Mr READ—I have no doubt of that. That is a precedent which I hope the House will follow. The adoption of the report cannot force the Government to settle the claim, but it will show that the House, after careful consideration of the matter, are satisfied that if they do not pay it they should.

Hon. Mr. TRUDEL—As a member of the Committee I think it is my duty to insist upon the adoption of this report. This matter has been thoroughly investigated, and I may say that there is nobody who will read the official documents which are printed in the minutes who will not come to the conclusion that a great injustice has been done to the claimants. They have been deprived of their legitimate property for the last thirty-seven years. If this House should arrive at the conclusion to which the members of the Committee have unanimously come, there can be no good reason given for not settling this matter. I think it is the duty of this House to recommend that justice be done, and that the claimants should have redress. If the House has not had time to examine the documents which are published with the report, then I would suggest that the matter be postponed until to-morrow, in order that every member may have an opportunity to examine them carefully; and I am satisfied that they will come to the conclusion that the case is perfectly clear, and that the claim should be settled. It has been said that this was an *ex parte* case — that the Government of New Brunswick was not represented. The Committee, before acting, requested the Government of New Brunswick to appear and show their reasons, if they had any, for not accepting those conclusions. The answer of the New Brunswick Government was to this effect: "We do not accept the jurisdiction of your Committee to act in this matter because it has been settled by arbitration, and the arbitrators have come to another conclusion." That is, the amount which the majority of the arbitrators recommended is not so large as the Committee find to be due. It is impossible to examine the documents without coming to the conclusion that this pretended arbitration on which the Province of New Brunswick relies in refusing to settle this claim was no arbitration at all, because in the first place the men who were appointed were not arbitrators, but Commissioners, appointed by an Order in Council to settle some accounts. That Order in Council said in precise terms that the Commissioners should not be allowed to reopen matters settled by two reports — the reports of Cutler and Dawson, and of Harding and Dawson. Notwithstanding that, we have clear verbal evidence that these pretended arbitrators arrived at their conclusion by taking it upon themselves, contrary to the terms of the Order in Council appointing them, to reopen the accounts, and set aside some accounts which were perfectly good, and accompanied with vouchers. It is clearly proved that only by doing so did they arrive at the conclusion to reduce the account. I cannot see how this House can refuse to adopt the report of the Committee. After 37 years of delay, I think it is due to the claimants that they should have a claim, which is based upon such clear and unmistakeable evidence, settled without further delay.

The report was adopted.

MILITIA AND DEFENCE LAWS AMENDMENT BILL.

SECOND READING.

Hon. Sir **ALEX. CAMPBELL** moved the second reading of Bill (99) "An Act further to amend the Acts therein mentioned respecting the Militia and Defence of the Dominion of Canada." He said that the object of the Bill was to postpone the enrollment which the Militia Act requires until after the taking of the census.

The Bill was read the second time.

VAGRANTS' PUNISHMENT BILL.

SECOND READING.

Hon. Sir **ALEX. CAMPBELL** moved the second reading of Bill (90) "An Act to remove doubts as to the power to imprison with hard labor under the Acts respecting vagrants."

The Bill was read the second time.

PRINCE EDWARD ISLAND JUDGES' SALARIES BILL.

SECOND READING.

Hon. Sir **ALEX. CAMPBELL** moved the second reading of Bill (95) "An Act to increase the salaries of Judges of the Supreme Court of Prince Edward Island." He said: This Bill is to carry out an understanding which my hon. friend from Prince Edward Island has been urging upon this House and me for a session or two. I am glad now to present the Bill for its second reading, and my hon. friend will see that at last we have carried out the promise we made to Prince Edward Island.

Hon. Mr. **MILLER** — I do not think the Bill goes far enough. I see no reason why the judges of the Province of

Prince Edward Island should not have the same salaries as the judges of Nova Scotia, New Brunswick, Manitoba and British Columbia. I have no doubt gentlemen occupying positions on the bench in that Province stand as high in regard to their professional duties and qualifications as the judges in any one of these other provinces, and it would be only fair to abolish an invidious distinction by putting them on the same level.

Hon. Sir ALEX. CAMPBELL — At all events it is a step in the right direction.

Hon. Mr. DEVER.—Hon. gentlemen, I wish to say I regret exceedingly that the Government could not see their way to include in this Bill an increase to the salary of the County Court Judge of St. John. This gentleman, I am informed, does as much work as any three county judges in the Lower Provinces, except the County Court Judge of Halifax. His health, too, is failing, and he and his friends think that his old colleague, Sir Leonard Tilley, should not overlook him so persistently. Others have been raised to the bench over his head without any regard to his prior right, and his friends are beginning to think that things are going too far for the peace and good of that Province. It is hard when men feel they have cause to believe they are deprived of and proscribed from the legitimate political prizes of their country. And I have no hesitation in saying that we think so in New Brunswick at present. I appeal, then, to Sir Alex. Campbell and to Sir John Macdonald, as statesmen, to see if this thing is to go on any longer.

The Bill was read the second time.

CANADA AND ASIA MARINE TELEGRAPH COMPANY'S BILL.

SECOND READING.

Hon. Sir ALEX. CAMPBELL moved the second reading of Bill (97) "An Act to provide for the incorporation of a company to establish a Marine Telegraph between the Pacific coast of Canada and Asia." He explained that the object of the Bill was to give the Governor General power by letters patent to incorporate a Company to build a telegraph line between Canada and Japan, or any part of the Continent of Asia.

The Bill was read the second time.

ANDREW MERCER REFORMATORY BILL.

The House went into Committee on Bill (81) "An Act with reference to the Andrew Mercer Ontario Reformatory for females and the Central Prison for the Province of Ontario."

Hon. Mr. BENSON, from the Committee, reported the Bill without amendment.

The Bill was then read the third time, and passed.

BAPTISMS, MARRIAGES AND BURIALS.

The SPEAKER submitted a return from the County of Chicoutimi of baptisms, marriages and burials.

Hon. Mr. DeBOUCHERVILLE asked why these returns were sent in to this Parliament.

Hon. Sir ALEX. CAMPBELL said he supposed the local authorities were in the habit of doing it. He knew of no other reason.

Hon. Mr. AIKINS said similar returns were sent to the office of the Secretary of State, and the parties had been informed that there was no necessity for furnishing them.

Hon. Mr. DICKEY said this was one of the changes which are continually going on. He was not quite sure that it was a mere matter of form, but was inclined to think that it was one of those steps taken with a view to showing that this House and Parliament were arrogating to themselves a great deal that properly belongs to the local legislatures. The question of health had been admittedly a matter within the control of the local governments, and yet during the present session it had been treated as one peculiarly belonging to the Dominion Thus step by step this Parliament was extending its jurisdiction, and he thought his hon. friend from Montarville was perfectly right in protecting the interests of the local legislatures. This was only one indication of the change which was going on.

At six o'clock the Speaker left the chair.

AFTER RECESS.

DOMINION LANDS ACT AMENDMENT BILL.

THIRD READING.

Hon. Mr. AIKINS moved the House into Committee of the Whole on Bill (77) "An Act to amend the Dominion Lands Act. He said: I will state that the amendments to the Dominion Lands Act have grown out of the necessities of the case; and perhaps it would be more satisfactory to the House that each clause should be considered and discussed as it comes up, and I will make the explanation in that way rather than make the statement before the consideration of the clauses. The first clause of the Dominion Lands Act of 1879 is merely re-enacted. The second clause makes provision with regard to the width of the roads. From 1872 the width of the roads has been 99 feet; by this Bill power is taken by the Governor in Council to reduce the width of the road to 66 feet, which is the ordinary width in Ontario and most of the provinces of the Dominion. It was thought when this width was taken for the public roads that when fenced there would be heavy snow drifts, and that there would be difficulty in clearing out snow; and, by a good width of road, they would have one portion always where the snow would not be drifted. But, in consequence of the introduction of wire fences, which will not hold the snow or gather drifts, it has been found that the width of the roads may well be reduced, for two reasons. It not only effects a saving in the land, but it reduces the labor necessary to keep those roads up. It also makes provision with regard to the number of section lines that are to be run. At present every section is bounded by a line; by this clause power is taken by the Governor in Council that the number of these section lines may be reduced one-half, or in other words the amount of surveying in each township is reduced by one-quarter; ı the saving in land by reducing the w,dth of the road is calculated at 436 acres and the cost of surveying will be reduced one quarter by dispensing with some of the section lines.

The clause was adopted.

Hon. Mr. Aikins.

On the 3rd clause,

Hon. Mr. AIKINS — Provision was made in the original Bill that the land fronting on the Red River and Assiniboine should be surveyed differently from the ordinary surveys of the townships; in other words, that they should front on the river. By this Bill provision is made that the land fronting on large rivers, such as the Saskatchewan, in the west, may be surveyed in the same way.

The clause was adopted.

On the 4th clause,

Hon. Mr. AIKINS — The 4th clause amends the Dominion Lands Act in this way. Under the provisions of the Act, no one person can purchase more than 640 acres of land. By the provisions of this Bill it is amended in this way: that the Governor in Council may have power to sell larger quantities than 640 acres, but not at a price less than $1 an acre ——

Hon. Mr. REESOR — Is there any limit to the amount?

Hon. Mr. AIKINS — No, there is no limit to the amount. Provision is also made in this clause that the land may be sold at public auction: It is well known to hon. gentlemen in this House that a portion of the Mennonite reserve has not been occupied by them, in fact there has not been so many of those people settled in the country as was thought would go there. That land has now become valuable, and is worth $4 or $5 an acre, and provision is made that this land may be sold by public auction.

Hon. Mr. MILLER — Or any other land.

Hon. Mr. AIKINS — Or any other land, but it is intended particularly to apply to the case I have mentioned.

The clause was adopted.

On the 5th clause,

Hon. Mr. AIKINS — This clause makes provision that section 24 of the Dominion Lands Act is repealed and a form substituted. This form is changed to enable lands to be entered up for homestead by agents. At present no one except the person intending to occupy can make the entry. They have to make the entry and the affidavit themselves. Provision is made that others than those desiring to occupy the lands may make the entry. There is also a further provision that the person making the entry under the present Act has to take possession of his land within two months. It has been found in the older provinces that it is extremely difficult for a person to go out there and select his land, return here for his family and take possession of his land in two months, and the period is extended by this Bill to six months to persons in any part of the Dominion. Provision is also made by this Bill that parties living in other countries, Great Britain and Ireland, for instance, will have twelve months after making their entry to go on and occupy the land, but not a longer period.

Hon. Mr. REESOR — Will the rights of parties who have squatted on the Mennonite reserve be recognized, or will their lands be sold in common with that which has not been occupied?

Hon. Mr. AIKINS — With regard to that, I would say if they went on in violation of the law the only thing they can reasonably claim is this: they will have the right to purchase it at the same rate that land in the same neighborhood would be sold for. They will get a preference, but that is all they can expect.

The clause was adopted.

On clause 6.

Hon. Mr. AIKINS — By the present law all those who take up homesteads have to settle upon them; now, in that country the population must necessarily be very thin, and it has been found advisable to give those who are going out there an opportunity of settling in villages or communities. Provision is taken whereby the Governor in Council may make exception in the case of parties who come from the older portions of the Dominion, where, if 20 heads of families make application to the Minister of the Interior, he may grant them power to settle in villages or hamlets, but the homesteads have to be cultivated by them, although they are not compelled to live on them. In that case, by settling close together, they can have the advantage of schools, mills, churches and conveniences of that kind. It is thought that such a policy will conduce to the settlement of that country. There is a further provision on behalf of those who are emigrants from other countries — those who come from the older countries of Europe. The privilege given to them does not go to our own people in this respect, and it grows out of the usages of the old country, where people settle in villages; they can settle in villages but they are compelled to cultivate their homesteads.

Hon. Mr. DEBOUCHERVILLE — Supposing they settle in a village, can they have a homestead within 20 miles of it?

Hon. Mr. AIKINS — They could not cultivate it if it was that distance from the villages, and they would naturally take up homesteads adjacent to the places where they reside.

Hon. Mr. DEBOUCHERVILLE — Is it provided that they shall take the land within a certain limit?

Hon. Mr. AIKINS — That will be provided for by Order in Council. The reason is this: our own people are not gregarious in the same sense as the people of other countries; for instance, the Mennonites, who have everything together, and work in common. Our own people are not accustomed to that kind of thing, and this provision is for the porpose of meeting the peculiar condition of the emigrants from Europe.

The clause was adopted.

On the 8th clause,

Hon. Mr. AIKINS — This clause refers to grazing lands. Under the provisions of the present Act when the lease is made of grazing land, that lease cannot be cancelled unless the land is required for the purpose of sale or settlement. Under the provisions of this clause, the lease may be cancelled for any reason which may commend itself to the Governor in Council, by giving two years' notice.

Hon. Mr. CORNWALL — I suppose as long as such a lease runs there will be no actual survey of the land that is leased?

Hon. Mr. AIKINS — No, not unless it is described in some way.

Hon. Mr. CORNWALL — It will be leased without a regular survey?

Hon, Mr. AIKINS — Yes.

Hon. Mr. SCOTT — Have any lands been leased under this provision?

Hon. Mr. AIKINS — No, not that I am aware of.

The clause was adopted.

On the 9th clause,

Hon. Mr. AIKINS — This clause refers to tree culture; under the provisions of the Land Act, a quarter section may be entered for tree culture; it is provided by this Bill that this is not to apply to lands that lie within the railway belts, because the railway will take the odd numbered sections, and it is not desirable to interefere with them.

Hon. Mr. REESOR — If that will not apply to any part of the railway belt, it will be necessarily some 20 or 25 miles from the line of railway where the people will be permitted to enter land for tree culture.

Hon. Mr. AIKINS — Anywhere where the railway lands are not allotted.

Hon. Mr. CORNWALL — Will that section apply to the railway lands in British Columbia — the lands that will hereafter belong to the Government?

Hon. Mr. AIKINS — This is general, but I do not think there is likely to be a very great deal of tree culture in British Columbia; it deals specifically with tree culture.

The clause was adopted.

On the 10th section,

Hon. Mr. AIKINS — This section introduces a new provision that has not been found yet in the Dominion Lands Act. There are a great many people in the old country, as well as in this, who are poor, and yet who possess many excellent qualities and would make good citizens. I may say an application has been made to the Government to know if a provision of this kind could not be introduced into the Land Bill, whereby parties in the old country who are poor could be sent out and placed on these lands. The parties sending them out shall cover all the expenses, and the lands themselves shall be charged with the expenses of everything. They here give them an opportunity to start in that western country. I have not the least doubt that under this provision of the Act, a great many can be brought out from the old countries to settle. A quarter section cannot be charged with a larger sum than $500, and the rate of interest paid will not exceed 6 per cent. on that amount, and the settler cannot obtain a patent until he has satisfied this claim.

Hon. Mr. SCOTT — $500 appears to be a large limit.

Hon. Mr. AIKINS — There is little doubt that you cannot bring out a family of five persons and place them on a quarter section for less than that amount. I have a statement here from the *Nineteenth Century*, and it gives £100 sterling as the cost; but any person who knows anything about the country will know that it costs more than £100 sterling to move a family of that size such a distance.

Hon. Mr. SCOTT — There will be assisted passages.

Hon. Mr. MILLER — It is an equitable provision, and I do not know how you can make it much better, although it may be open to abuse.

Hon. Mr. REESOR — Should not the parties be made to provide suitable places of residence and a year's provision to the emigrants?

Hon. Mr. AIKINS — It also make provision that a certain number of acres shall be broken up and seeded; however, that rests with the party sending them out — what to do with them.

The clause was adopted.

On the 11th section,

Hon. Mr. AIKINS — This section makes provision that the surveyors who now have power to administer oaths in order to ascertain the boundaries of the townships shall also have power to administer oaths with regard to settlement, etc. A surveyor is empowered, in cases where squatters go in advance of the survey, to administer oaths and ascertain as nearly as possible when they located there, and this information is to be transmitted to the Department of the Interior for their information, so that when the surveys are concluded the squatters' claims can be ascertained very much better than by the present mode.

The clause was adopted.

Hon. Mr. RYAN, from the Committee, reported the Bill with an amendment, which was concurred in.

The Bill was then read the third time and passed.

THE LIBRARY OF PARLIAMENT.

THE REPORT OF THE COMMITTEE ADOPTED.

Hon. Mr. ALLAN moved the adoption of the report of the Joint Committee on the Library of Parliament.

The motion was agreed to.

STEAMBOAT INSPECTION BILL.

THIRD READING.

Hon. Sir ALEX. CAMPBELL moved the second reading of Bill (T) "An Act in amendment of the Acts respecting Steamboats." He said: Under the general Act which this proposes to amend, the provisions have been really enacted with reference to sea going vessels, and copied, I believe, from the English Acts of Parliament. These provisions are inapplicable to small vessels, and can only be put in force at great expense and some risk and inconvenience to passengers and freight. The boats which vessels are required to carry are "yawls" of a certain size — I think 18 feet in length — and these cannot be conveniently stowed away on small vessels. It is proposed to give the Minister of Marine and Fisheries authority to require only small boats to be carried on certain kinds of vessels. On the rivers and lakes much smaller boats will answer, and are as much as the steamers can conveniently carry. There are other amendments of a similar character.

Hon. Mr. HOPE — Does this Bill apply to vessels navigating the lakes?

Hon. Sir ALEX. CAMPBELL — Yes. I have got a series of petitions from owners of vessels on the inland waters, asking for this legislation.

The motion was agreed to, and the Bill was read the second time; and under a suspension of the rules it was read the third time and passed.

BILLS INTRODUCED.

Bill (105) "An Act further to amend the Acts 42 Vic., cap. 15, and 43 Vic., cap. 13." — (Mr. Aikins).

Bill (91) "An Act to prescribe a declaration to be taken by all employés on telegraph lines under the control of the Government, and to provide for the punishment of telegraph operators and employés who divulge the contents of certain documents." — (Sir Alex. Campbell).

Bill (101) "An Act to amend the Act 36 Vic., cap. 60, respecting the Montreal Harbor Commissioners."—(Sir Alex. Campbell.)

Bill (100) "An Act to provide for the allowance of drawback on certain articles manufactured in Canada, and used in the construction of the Canadian Pacific Railway."—(Sir Alex. Campbell).

The Senate adjourned at 9 p.m.

THE SENATE.

Saturday, March 19th, 1881.

The Speaker took the chair at three p.m.

Prayers and routine proceedings.

CANADA AND ASIA MARINE TELEGRAPH.

MOTION.

Hon. Mr. CORNWALL moved:—

> "That an humble Address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before this House copies of all correspondence between the Government of Canada, the Imperial Government, Mr. Sandford Fleming and others, in reference to Mr. Sandford Fleming's scheme for connecting Canada with Asia by submarine telegraph, together with all other documents relating to the same."

He said: I do not know that I need to speak at any length on this subject. The motion speaks for itself. It has been known, I fancy, to all the members of this House that Mr. Sandford Fleming took the initiative in proposing the grand scheme of a telegraph line from

Canada to Asia, but unfortunately now the ground has been, to a certain extent, cut from under his feet by the passage of an Act this session which was introduced in the first place for an entirely different object. It is unfortunate that the papers for which I now move had not been previously printed and distributed to the House; if they had been I doubt if the legislation to which I have referred could have passed. I make this motion so that at the next meeting of Parliament these papers may be printed and placed in the hands of members.

Hon. Sir ALEX. CAMPBELL — There is no objection to the Address, so far as the Government is concerned.

The motion was agreed to.

RICHELIEU RIVER EEL FISHERY.

MOTION.

Hon. Mr. TRUDEL moved: —

"That an humble Address be presented to His Excellency the Governor General praying that His Excellency will be pleased to cause to be laid before this House copies of all letters, documents and other writings, bearing dates between January, 1874, and the 18th March, 1871, that may be found in the possession of the Department of Marine and Fisheries, relating to the rights of Joseph Goyette Pierre Dionne and Toussaint Huot, in an eel fishery situate in the bed of the River Richelieu, between the opposite towns of Iberville and Saint John."

He said: I move for these papers in order to ascertain the proprietary right to a certain fishery in the Richelieu River, to which the parties whose names are mentioned in the motion lay claim. There was a concession made to certain parties which will expire next year, and these parties want to have access to the papers moved for, in order to ascertain the title to the property.

The motion was agreed to.

THIRD READINGS.

The following Bills were read the third time and passed: —

Bill (42) "An Act further to amend the Acts incorporating the International Railway Company." — (Mr. Odell.)

Bill (55) "An Act to amend the Acts relating to the New Brunswick Railway Company." — (Mr. Odell.)

Bill (97) "An Act to provide for the incorporation of a Company to establish a marine telegraph between the Pacific coast of Canada and Asia." — (Sir Alex. Campbell.)

Bill (99) "An Act further to amend the Act therein mentioned respecting the Militia and Defence of the Dominion of Canada." — (Sir Alex. Campbell.)

Bill (90) "An Act to remove doubts as to the power to imprison with hard labor under the Acts respecting vagrants." — (Sir Alex. Campbell.)

Bill (95) "An Act to increase the salaries of the Judges of the Superior Court of Prince Edward Island." — (Sir Alex. Campbell.)

Bill (91) "An Act to prescribe a declaration to be taken by employees on telegraph lines under the control of the Government, and to provide for the punishment of telegraph operators and employees who divulge the contents of certain telegrams." — (Sir Alex. Campbell.)

MONTREAL HARBOR COMMISSIONERS' BILL.

THIRD READING.

Hon. Sir ALEX. CAMPBELL moved the second reading of Bill (101) "An Act to amend the Act 36 Vic. cap. 60, respecting the Montreal Harbor Commissioners."

Hon. Mr. RYAN — Before the Bill is read the second time, I should like to make one remark: that is, that the allowance made by way of encouraging the deepening of Lake St. Peter is next to nothing.

Hon. Sir ALEX. CAMPBELL — Why?

Hon. Mr. RYAN — Because without this legislation the Harbor Commissioners could at the present moment sell their four per cent. bonds at par and pay off the debt.

Hon. Sir ALEX. CAMPBELL — But in the meantime they are indebted to the Government for a considerable sum of money on which they pay five per cent. and this reduces it to four per cent. I think that is something.

Hon. Mr. RYAN — If the Government should call on them to pay off the debt, they could raise money at four per cent and pay it..

The motion was agreed to.

The Bill was then read the third time, under the suspension of the rule, and passed.

DRAWBACKS ON ARTICLES OF THE CANADIAN PACIFIC RAILWAY BILL.

THIRD READING.

Hon. Sir ALEX. CAMPBELL moved the third reading of Bill (100) "An Act to provide for the allowance of drawback on certain articles manufactured in Canada and used by the Canadian Pacific Railway Company." He said: It will be remembered that the Company incorporated by the Canadian Pacific Railway Bill are allowed to import free of duty certain articles that might enter into the construction of the road. Some of these articles may be produced in the Dominion, and this Bill is to place our manufacturers on an equal footing with their competitors by giving them a drawback equivalent to the duty which the Company escapes.

Hon. Mr. BUREAU — What is the value of the privilege?

Hon. Sir ALEX. CAMPBELL — The value of the privilege granted to the Company was supposed to be about $163,000.

Hon. Mr. DICKEY — And this is about the same, I suppose.

Hon. Sir ALEX. CAMPBELL — Yes.

The motion was agreed to.

The Bill was then read the third time, under a suspension of the rule, and passed.

THE PRINTING OF PARLIAMENT.

EIGHTH REPORT OF THE COMMITTEE ADOPTED.

Hon. Mr. SIMPSON moved the adoption of the eighth report of the Joint Committee on Printing. He said: In asking the House to adopt this report, I wish to explain that we make a recommendation that the salary of one of the distributors should be increased $100. I believe he is a very efficient distributor, and very likely entitled to the increase, but I did not feel disposed, at the close of the session, to recommend to the House, as far as I was concerned, an advance in the salaries of any of the officers. However, I believe he has given great satisfaction, and it was the unanimous desire of the Committee that this increase should be granted. On the whole, in view of the fact that he has received only $500, I do not know but he deserves the additional sum. The rest of the report is of the usual character. Last year we succeeded in obtaining a reduction on the previous year's service of about $12,000, and we are very sanguine that we will be able to reduce it, as against last year, $7,000 more. I do not think we are weakening the service in any way, and I believe, through economy, management and a little tact, we will be able to bring the expenditure this year within $50,000.

The report was adopted.

CUSTOMS DUTIES LAWS AMENDMENT BILL.

THIRD READING.

Hon. Mr. AIKINS moved the second reading of Bill (105) "An Act further to amend the Acts 42 Vic., cap. 15, and 43 Vic., cap. 18, as respects duties of Customs." He said: This is an amendment to the tariff. The changes do not amount to very much, and are confined, more particularly, to classification and making more definite the wording of the tariff, so that there will be less difficulty in the customs officers carrying it out. One of the first amendments is including mower and reaper knives under the head of agricultural implements. Another provides that pressed glass shall be considered as moulded glass. It appears that importations have been made under the head of pressed glass, and, inasmuch as it could not be classed, it came under the 15 per cent. duty. Then, in regard to iron and steel, it is intended to put a higher duty on nuts and bolts imported into this country, because they are manufactured here. These are some of the alterations made by this Bill.

The motion was agreed to.

The Bill was then read the third time, under a suspension of the rules, and passed.

THE PROROGATION.

The SPEAKER read a letter from the Governor General's Secretary, announcing that His Excellency would prorogue Parliament on Monday next, the 21st inst., at 3.30 p.m.

PUBLIC LOANS BILL.

THIRD READING.

A message was received from the House of Commons with Bill ( ) "An Act to authorize the raising, by way of loan, of certain sums of money required for the public service."

The Bill was read the first time.

Hon. Sir ALEX. CAMPBELL moved the second reading of the Bill. He said its object was to enable the Government to concentrate in one loan various fag ends, so to speak, of powers which they now possess of borrowing money for the public service.

Hon. Mr. HAYTHORNE — For what purpose is this to be used?

Hon. Sir ALEX. CAMPBELL — For the purpose of the consolidated fund generally.

The motion was agreed to, and the Bill passed its final stages under a suspension of the rule.

THE VENTILATION OF THE PARLIAMENT BUILDING.

REPORT OF THE COMMITTEE ADOPTED.

Hon. Mr. REESOR presented the report of the special Committee appointed to inquire into the cause of the bad ventilation of the Committee rooms.

Hon. Mr. MILLER wished to know if any action would be taken on this report. The Committee had done well to call the attention of the House to the odor of cooking victuals that pervaded the corridors at times. If anything could be done to prevent it a good deal would be done towards removing a disagreeable feature in connection with the ventilation of the House.

Hon. Mr. DICKEY said the difficulty could be obviated by simply opening the windows of the kitchens in the basement; the impure air would then escape instead of ascending by the staircase into the corridors. The large sum placed in the Supplementary Estimates for improving the ventilation of the building need not necessarily be expended if a little common sense were applied to the subject. By opening the windows the foul air would be allowed to escape and pure air to fill the rooms and corridors.

Hon. Mr. ALLAN suggested that the ventilation of the corridors could be greatly improved by having, instead of full panes opening with hinges, sliding panes which could be opened just to the extent that circumstances might require.

Hon. Mr. REESOR said the system of heating the building was a very extensive one, and involved an immense number of steam pipes extending all the way over the basement to the further end of the building. To change that system at once would necessitate a very large expenditure, but as fast as the pipes required renewal a new system was being introduced, by which the heat could be turned off from a single section without turning it off from the whole. Then, with regard to the odors from the kitchen in the basement, that had been to a certain extent stopped, but it could not be wholly prevented until the pipes which led to the warming of the corridors were renewed. Slide panes would be placed in one window in each of the rooms, so that they could be ventilated, not only during the day, while they were occupied, but also in the morning when they were being cleaned. Another suggestion which had been made by the engineer was to use less hot air in heating the rooms and corridors, and to keep grate fires in the rooms in cold weather. That would accomplish two purposes; it would make the rooms more comfortable and cheerful and improve the ventilation. In that way many of the evils complained of could be removed without incurring any serious expense. Improvements would also be made in the closets. In that case the common sense method of opening the windows would not apply, because the rush of cold air through the open windows would carry impure air into the corridors. The better plan was to keep those windows closed and leave everything of the kind to be managed by the chief engineer, who would attend to the ventilation.

The report was adopted.

The Senate adjourned at 4.40 p.m.

THE SENATE·

Monday, March 21st, 1881.

The Speaker took the chair at twelve o'clock, noon.

Prayers and routine proceedings.

THE EUROPEAN, AMERICAN, CANADIAN AND ASIATIC CABLE COMPANY.

AN EXPLANATION.

Hon. Mr. DICKEY — I beg to call the attention of the House once more to the unfortunate position in which we are placed by having public and private legislation thrust upon us in such a hurried manner at the close of the session. I do not make this observation with reference to the Supply Bill — which, I believe, is the only bill now remaining — because we cannot amend it, and the only effect of introducing it here at such a late period of the session is to limit the time that hon. members have to discuss it. With regard to the question itself, I do not propose at present to enter into it at length, because it would lead to a very long discussion, but, if no measures are taken at the beginning of next session to effect a change of this system of legislating, I shall call the attention of the House to the subject. There has been one notable instance in which it has led to great injustice being done to public as well as to private interests, which, I think, ought not to be passed over — I allude to the Bill to incorporate the European, American and Canadian Cable Company. That Bill was to authorize the Company to lay a cable between Europe and America. Every assistance was given to the men who had charge of it in this House, and there was but one amendment limiting the charge for messages introduced, and it went down to another place. In the meantime, the project originated by Mr. Sandford Fleming to lay a submarine cable between Canada and Japan had been laid before the House, and was the subject of legislation in another place. In the House of Commons this Bill was amended by adding, "and also to build from any point or points from the Pacific Coast, in the Dominion of Canada, to Japan and the Continent of Asia." The Bill was amended in other particulars. The clause which we had introduced restricting the price of messages was struck out, and power was given to the Governor in Council to regulate those matters, and another clause was added, which was thought necessary in reference to the Japan part of the project. Now, those amendments were brought up to this House and passed, or rather passed over, without any discussion. There was no opportunity given to the House to consider them or the effect that they would have, and the result was that we passed in this hasty manner, legislation which most seriously impairs, and, I may add, defeats the great project of connecting Asia and Canada by means of submarine cable, because the proviso in that Bill, in the 20th section, was to this effect—"the works of the Company shall be commenced within two years, and one or more cables laid within four years from the passage of this Act; otherwise the charter shall be void." The effect will be that the Company, by laying a cable from Sable Island across the Atlantic, will satisfy the terms of the charter, and there will be no limit to the time within which a cable may be laid to Japan; while, in the other charter, the Company will be restricted to a certain time within which they may act. The consequence is that this European, American and Canadian Cable Company will have the power to keep this matter open indefinitely — certainly for ten years — if they choose to do so. The House will see at once that the persons acting under the authority of the other charter cannot possibly raise money to carry out their project while this remains on the statute book. I think it is necessary to call attention to this as not only affecting the interests of the original projector of this great enterprise, but also doing great injury to the public, because it retards a project in which we ought all to feel an interest. I, therefore, feel that there is no apology due to the House for bringing this matter before them, and I only wish we could have some practical remedy to apply, but, as we have none, I can only say that my object in calling attention to the subject is to express my very great regret that my hon. friend from Ottawa, who had charge of the Bill, and who knows the course which should be pursued in conducting the public business, did not take the opportunity, when the Bill was returned from the House of Commons, with amendments, to explain the scope and effect of them. That is a matter of great regret. It has brought us into this position, that unless the Bill is suspended for the present it must lead to legislation to amend it, because it is impossible that such an Act as that can remain on the statute book without amendment.

Hon. Mr. SCOTT — I confess as my hon. friend proceeded I was somewhat startled at the extraordinary statement he thought proper to make to the Senate, and his insinuation that the Bill for the incorporation of the European, Canadian, American and Asiatic Cable Company had been in any way improperly brought before the Senate in coming up from the other House. I certainly was amazed at it. I am in a position to know that it was the intention of the promoters of this Bill, when it was first introduced, and while they were in entire ignorance of Mr. Fleming's project to lay not only a cable across the Atlantic, but one across the Pacific, and also to lay cables to Bermuda and elsewhere. So far as the question of marine cables is concerned, all that this Parliament can do is to incorporate a company to lay cables from any part of our shores. Sable Island was originally selected as a point on the Atlantic coast; but the Company also took powers to lay cables to any other part of our coast, and I state here, and state advisedly, that it was originally contemplated to make this Bill much fuller. I did not consider it was necessary to say whether cables were going to Bermuda, Brazil, Japan, China, or anywhere else. The first project was to lay an Atlantic cable, but it was well known that the Company had, through their association in England, been preparing a prospectus with a view of laying a cable across the Pacific Ocean also. In the first draft of the Bill, the words are " and for the purpose of establishing branches from Sable Island to Bermuda, West Indies and South America." Now, in order to cover additional coasts, the amendments were introduced to make the language fuller; and there was no doubt in my mind that it would have enabled them to lay cables in any direction. At the time I had not the smallest intimation that Mr. Fleming had been paying any attention to the Pacific scheme. I knew he had written some years ago, as others had written, on the subject of laying a cable from our Pacific coast to Asia, but so had Cyrus Field, and a number of other gentlemen, and I do not know that Mr. Fleming had secured any right to a monopoly of a charter from this Parliament, or done anything to specially entitle him to the exclusive right of laying a cable across the Pacific. Mr. Fleming is my personal friend, and I do not desire to make the comments I otherwise would make in consequence of the extraordinary remarks of the hon. Senator from Amherst. All I can tell the hon. gentleman is, that the money was subscribed in England, and the prospectus was prepared in that country, which included the laying of a cable across the Pacific as well as across the Atlantic.

Hon. Mr. DICKEY — The hon. gentleman did not bring it under the notice of the Committee.

Hon. Mr. SCOTT — I had not considered it necessary to do so. I said that they had ample money to prosecute the work, and I stated it was their intention, if they saw their way clear to do so, to lay a cable across the Pacific, and they desired that authority should be taken in this Bill to do so. I think the policy of this Parliament has been with respect to those cable bills to pass them without bestowing much attention upon their details. What hon. gentleman took the smallest interest in granting the charter to the French Company to lay a cable? The first I knew of it was seeing it in the statute book; it entirely escaped any discussion. There are on our statute book many other charters granted to cable companies, and this Parliament has never hesitated to pass such bills, because they never recognized that there was any exclusive control over cables. This is the first time I heard anything of Mr. Fleming having any claim to the exclusive right to lay a cable across the Pacific. In the other House, strong as the Government are, their supporters told them that a monopoly of that kind would not be tolerated; that, though they had established a railway monopoly, they would not recognize a second monopoly, and the Government had to come down with different resolutions. For the moment, we heard that Mr. Fleming's charter was abandoned. He wrote a letter to the Government withdrawing any legislation, but after a week or two his position changed. He was willing to take a charter. The House of Commons insisted that the two charters should go hand in hand. Those amendments were discussed in the Committee room of the other House, and the House of Commons passed them unanimously, the Minister himself who had charge of the resolutions being Chairman of the Committee. I presume that hon. gentlemen are aware of what goes on in that important Committee of the other House. I assumed, when the Bill came back to this House, that hon. gentlemen were aware of the changes which had been made. They were not, to my mind, of much magnitude, and I considered they had been made in order to make the Bill conform as much as possible to the Government measure. Certainly, I had no desire to withhold anything from the House, because I did not suppose for one moment that the House would hesitate to grant an independent company a charter to lay a cable across the Pacific. My hon. friend says this Company will block the way. I can assure him that he is mistaken. There is a limited time within which the Company must commence and complete the cable. They must begin work within two years, and have one or more cables laid within four years. All I can tell my hon. friend is this: if the Company do not commence work within the time named, I shall be very glad to assist in having the Bill repealed, but I do not think the assurance is at all necessary. We will have a cable from either of these companies or Cyrus Field's.

Hon. Mr. DICKEY — I do not ask that the charter should be repealed. I merely ask that the public shall be protected by a clause requiring the company to construct the cable from British Columbia within a certain time.

Hon. Mr. SCOTT — The hon. gentleman intimated that the Royal assent should be withheld from this Bill. It would be prefectly monstrous if the Government should undertake to interfere with the legislation of Parliament in that way. If, in a year hence, this Company has made no progress, and any other company will show that it has a capital, and is prepared to go on, I shall not stand in the way, nor would I like any one else to stand in the way of a charter being granted to the new company. But, as a matter of fact, cannot be an interference. There is nothing to prevent Mr. Fleming or his friends, whoever they may be, going on with the Pacific cable. Assuredly, my hon. friend's indignation might very properly apply if the only charter was to be Mr. Fleming's, giving him exclusive power for the next twenty years to lay a cable from the western coast of Canada to Asia, and giving I do not know how many years before beginning operations, and a much longer term before completing the cable. We have not recognized any monopoly in cables, and it would be absurd to say that we should. The people of this country, I am sure, would be glad to see as many cables as possible landed on our shores. We know that there is plenty of business for the cables already in existence, and there is room, I dare say, for still more. Of course the cost of cables is much less now than it was some years ago, and new companies can commence to work on much less capital, and, *ergo*, charge much less per word than old companies. And that is why they are a source of fear to the old companies. I do not think my hon. friend is justified in speaking in the manner he does. All I can tell him is that we never have had before us a body of corporators who stood so high in commercial circles in England as the promoters of this Bill. They are men who are known to be connected with important banking and commercial interests in Liverpool and London. It is their intention to go on with the work forthwith. They are not going to keep this charter for purposes of speculation or anything of that sort. They mean to carry it out as a business enterprise or abandon it, and it will not be an interference with any other company. If the cable is not commenced within a year, this Company will not be in the way of Mr. Fleming or anybody else who desires to obtain a charter for the purpose of communicating with Japan or China.

Hon. Mr. CORNWALL — The remark of the hon. gentleman who has just taken his seat appears to me to explain the facts in this matter. He said that at the time he introduced this Bill to the notice of the Senate he was altogether in ignorance of the project of laying a cable from British Columbia to Japan and China. That is exactly the case, and the attention of the promoters of the European, Canadian and American Cable Company was only directed to this when Mr. Langevin, on the 11th of February, introduced in the other House certain resolutions with a view of furthering Mr. Fleming's scheme. This Bill was before the House of Commons at that time, and, on the 15th of February, this most important amendment, altering the whole scope and intention of the measure, was made. I was myself in the Committee of this House when the Bill was before it, and the hon. Senator from Ottawa did not in the slightest degree lead us to suppose that the intention of the Company was to have anything to do with a submarine cable extending from the western shore of the Dominion. These amendments having been made in the Committee of the House of Commons, the Bill came back here in due course. It was introduced in the Senate with a number of other Bills from the House of Commons. The hon. Senator from Ottawa was in his place when the amendments were read, and the House was asked to concur in them, but he did not take it upon himself to explain these important amendments which had been made to the Bill, but left the House in ignorance of their nature, and they were, as is sometimes unfortunately the case, concurred in without due deliberation. So, to my mind, it appears that most unfortunate legislation has taken place with reference to this question. I think that a mistake of this sort ——

Hon. Mr. SCOTT — No mistake at all.

Hon. Mr. CORNWALL — A mistake of this sort having been made, it is the duty of the House to rectify it as far as possible. I think the hon. Senator who has brought the matter up in this indirect manner has done what is a perfectly right thing to do under the circumstances. The effect of these amendments will be that Mr. Fleming will be unable to go with any confidence to capitalists in England to ask them to engage in this great scheme of which he has been the original projector ——

Hon. Mr. SCOTT — No.

Hon. Mr. CORNWALL — The effect will be, I imagine, that if nothing further is done, and if this Bill is assented to and becomes law, that Mr. Fleming will have to fall out of the thing altogether and leave it in the hands of this Company, who, a fortnight ago, had not the slightest intention of undertaking this gigantic scheme.

Hon. Mr. SCOTT — The hon. gentleman is mistaken; they had.

Hon. Mr. CORNWALL — Early in February they had not the slightest intention of undertaking this gigantic scheme. Why did they not go further when amending the Bill in the House of Commons and increase the capital of the Company? Their cable across the Atlantic was to be laid by a company with a capital of £1,500,000 sterling; now, under the amendment, they propose to undertake the work of laying a cable from the western coast of Canada to Asia, which involves, at least, an equal amount of money, without increasing their capital stock. These two facts — the ignorance of the hon. gentleman that there was any scheme with reference to the construction of a Pacific submarine cable, and the fact that no alteration has been made in the capital stock of the Company are, of themselves, sufficient to show that when this Bill was first introduced in the Senate they had no intention to undertake this great work. I think that the Senate, having made such a mistake — having allowed these amendments to be concurred in without any explanation of them by the hon. gentleman who had charge of the Bill should express itself strongly on the subject, and urge the Government to delay sanctioning the measure. It would be better that no legislation should take place on the matter, but that a year should be allowed to elapse, in which a better and more complete arrangement can be made.

Hon. Mr. SCOTT — I think, after my explanations, it is wholly unwarrantable for any hon. gentleman to indulge in such insinuations as we have heard from the hon. gentleman who has just resumed his seat. I can satisfy any hon. gentleman who wishes for the information that, long before Mr. Fleming's scheme was submitted to Parliament, correspondence had taken place with the promoters of the Bill showing that it was the intention of the Company to lay a cable to Japan, and such was the information afforded to the Committee of the other House. This matter was fully discussed by the press of the country. The Railway Committee, which is the largest Committee of the House of Commons, it is well known, stopped Mr. Fleming's Bill at the very outset. They would not consent to give Mr. Fleming exclusive privileges, because they were satisfied that another Company was also aiming at laying a cable across the Pacific. They would not recognize a monopoly. We know the effect of the Anglo-American monopoly, and how we have endeavored to get rid of it from year to year. There are provinces in this Dominion still under that monopoly, and you cannot get a message from them at less than four or five times the ordinary rates. The men who form this Company have procured their charter for the purpose of breaking up this monopoly. I do not think it is quite proper for the House, at this particular period of the session, to be made the medium of an attack on myself personally — because I feel in some degree it is an attack upon myself and on my probity. I have never, since I have been a member of this House, laid myself open to such a charge. I am invariably frank and open in dealing with the legislation that I have in charge.

Hon. Sir ALEX. CAMPBELL — I do not propose to say anything on the merits of the matter itself, but I think the hon. Senator from Amherst was unfortunate in giving this as an instance of want of time for the discussion of measures laid before us. This Bill was introduced in the Senate by the leader of the Opposition on the 20th of January, so that it is impossible for any one to say that it is one of the cases in which the House has not had abundance of time. It was read the second time on the 24th of January, and was sent to the House of Commons in the usual way. I think this session particularly there is no ground for complaint of any want of abundance of time being given the House for the consideration of all questions which came before it. With regard to the matter under discussion, it is too delicate for a member of the Government to discuss. The Bill has received the sanction of both Houses of Parliament, whose servants the Government are.

Hon. Mr. CORNWALL — The hon. Senator from Amherst did not complain of any want of time for discussing the Bill before it was sent down to the other House; his remarks applied to the time when it was returned to this House with amendments.

Hon. Mr. MILLER — Last year I felt it my duty to enter a very earnest protest against the manner in which legislation had come up from the other branch of Parliament at the close of the session. I think it is only fair, under the altered circumstances this year, to compliment the Government on the decided improvement which has taken place in that respect during the present session of Parliament. We have had very important measures initiated here, and had full time to discuss them. We have not, on any one single day up to the close of the session, been behind with our work, a very unusual thing, and one which, perhaps, has never occurred before since Confederation. We have been able to keep up with it, and give it all the time that we thought it deserved. I must say I think the Government is not in a position to be animadverted upon this session for the manner in which they presented measures to this House, and I only hope the good departure they have made this year will be followed up in subsequent sessions, and that we will be able to congratulate them in the same way at the close of future sessions.

Hon. Mr. MACFARLANE — I think there is a great improvement this session in the manner in which Government bills have been introduced. In reference to the subject under discussion, I must say, with all deference to the hon. gentleman who introduced this Bill, that I was very much surprised when I learned that the amendments which had been made to it in the Commons had been concurred in by this House. I venture to say that not one member in ten was aware that the Bill had been returned until the amendments had been concurred in by the Senate.

Hon. Mr. SCOTT —I explained them, at all events.

Hon. Mr. MACFARLANE — I am sure if a majority of the members had known the character of the amendments they would have been fully discussed, and, I venture to say, they would not have been sanctioned by the Senate.

Hon. Mr. RYAN — I can only concur in the remarks of my hon. friend from Wallace that I, who had taken some interest in the Bill, was entirely ignorant of the changes which had been made with regard to the Pacific cable.

Hon. Mr. SCOTT — I am quite sure that I mentioned the fact that the word "Asiatic" had been added to the title.

Hon. Mr. RYAN — I should have objected at that time to giving such powers to a company with such a small capital, and whose intention, as explained to Parliament in the first place, was to lay a cable across the Atlantic.

Hon. Mr. CARVELL — It occurs to me that this discussion is not entirely fair. The measure passed here in a full House, and that occurred as early as Wednesday of last week. Hon. gentlemen had a full opportunity of ascertaining all about it and stating their objections. Now, when there is but a fragment of the Chamber left, this attempt to cast reflections upon the Company shows that there is something more than momentary ignorance of hon. gentlemen in reference to this matter, at the bottom of the opposition. It seems to me to be a most extraordinary course. The way it strikes me is that it is not this House that has been disappointed, but that a power outside of this House and outside of this country has been disappointed. Jay Gould has been disappointed — the Anglo-American Company has been disappointed.

Hon. Mr. SCOTT — Hear ! hear ! No doubt about it.

Hon. Mr. CARVELL — The Anglo-American Company, which we are struggling against in the eastern provinces, would have been strengthened if this Bill had been defeated. In reference to the amendments made to the Bill in the House of Commons, I knew of them, and I knew that it was proposed to make them. To my mind they were unnecessary, because the Bill as originally framed spoke of "the Dominion of Canada and elsewhere." I thought that covered the whole ground, but it was thought that there might be a doubt about it, and, therefore, the places where they might go were specified. This Parliament has incorporated a highly respectable body of gentlemen, the strongest list of corporators that I ever saw anywhere, in preference to giving a monopoly for twenty years to a single individual, who may barter it, possibly where it would do us most harm.

THE SUPPLY BILL.

THIRD READING.

A message was received from the House of Commons with a Bill intituled "An Act for granting to Her Majesty certain sums of money required for defraying certain expenses of the public service for the financial years ending respectively the 30th June, 1881, and the 30th June, 1882, and for other purposes relating to the public service."

The Bill was read the first time.

Hon. Sir ALEX. CAMPBELL — I do not propose to enter into a discussion of the Supply Bill, nor have I been in the habit of doing so. The granting of supplies to Her Majesty is the peculiar attribute of the House of Commons, and, although it is quite open to us to enter into a review of all that the Bill affects, still I have never seen anything to be gained by that, and, so far as I am myself concerned, I prefer to merely move the second reading of the Bill. I move that the 41st rule of, the House be suspended and the Bill read the second time.

Hon. Mr. HAYTHORNE — I should like to ask whether that Supply Bill contains an item for improving the means of transporting mails and passengers between Prince Edward Island and the mainland during the winter season.

Hon. Sir ALEX. CAMPBELL — It does not.

Hon. Mr. HAYTHORNE — I will just make a few remarks to impress on the minds of the Government the importance of taking hold of this question, and I hope I will be able to draw from them an assurance that another year will not be allowed to elapse before taking decisive measures for placing Prince Edward Island in a better position with regard to the mail service with the rest of the Dominion. At the present time the members of Parliament from that Province who are about to return to their homes find it impossible to determine by what route they will be able to go. We cannot tell whether we shall have to cross a strait nine miles wide in a boat not much stronger or heavier than an Indian canoe, or cross from Pictou by the *Northern Light* steamer. It has been proposed in past sessions to establish communication by way of Capes Traverse and Tormentine, but objections have been taken to the expense of this and the difficulty of obtaining right of way for the two branch lines. I am really now not speaking solely in the interest of Prince Edward Island, but in the interest of all Canada. It really is not a fact that the expenditure on this service is for the benefit of Prince Edward Island only. The mails concern the whole Dominion. What we cannot get in the way of our rights directly, we must importune for, but it is a hard thing that a province should be obliged to importune for its rights. When we came into Confederation, it was distinctly promised that there should be steam communication between the Island and the mainland at all seasons of the year. That service has been very imperfectly performed up to this time, and I hope Ministers in this House will feel themselves in a position to state that the branch railways and steam communication by way of Capes Tormentine and Traverse will occupy their attention during the recess, and that next session they will be in a position to recommend something of the kind to Parliament.

Hon. Sir ALEX. CAMPBELL — The Government are quite sensible of the obligation which was incurred when Prince Edward Island joined the Confederation, and we did, in pursuance of the obligations which devolved on the Dominion, endeavor to maintain steam communication with that Province, and put the steamer *Northern Light* on that route. It was supposed at that time that this steamer would give complete and satisfactory communication at all seasons of the year. That it has not so resulted up to the present time the Government regret very much, and they will do everything that can reasonably be done to maintain steam communication between the Island and the mainland during the winter season, but I cannot hold out a reasonable hope that the Government will build the branch lines which the hon. gentleman referred to. Of course, there must be a limit to the expense which the Government is justified in undertaking with reference to such matters, and I am afraid that the service is not of such a character as would justify the expense of constructing these two roads, in the opinion of Parliament, but the Government will do its best to discharge its obligations, and I cannot see that they have been culpable in the past. An effort has been made to maintain the communication, and the opinion was that the construction of the *Northern Light* would furnish the best means. I will take care to bring the matter under the notice of the Minister of Public Works, and every effort that can reasonably be made to maintain the communication will be put forth.

Hon. Mr. MONTGOMERY — During the months of January and February and a great part of March the mails can never be sent from Georgetown and Pictou. my impression is that the *Northern Light* is not a suitable steamer to ply between Capes Traverse and Tormentine. She draws too much water — about 18 feet. A suitable steamer, such as they have at Quebec, with small boats, could keep up the communication at the Capes, and if the branch railways were built the crossing would be nothing more than a ferry. During the past winter the *Northern Light* was out in the ice for some two or three weeks at one time. This is a matter which affects the whole Dominion. In the winter between six and seven hundred passengers cross the straits. I hope the Government will take a trip down there some time and see the inconvenience that we experience in crossing there ; it is like taking one's life in his hand.

Hon. Sir ALEX. CAMPBELL — I should like to know the name of the boat at Quebec which the hon. gentleman thinks would be a model steamer.

Hon. Mr. MONTGOMERY — The boat which carries railway passengers from Point Levis to Quebec. The *Northern Light* draws too much water and enters into the ice like a wedge. A boat like the Newfoundland sealing vessels, which would run up on the ice and break it, would be much better than the *Northern Light.*

Hon. Mr. CARVELL — I think, notwithstanding the not very favorable answer which the leader of the Government has given to my hon. friend's inquiry, this is an important matter and the Government of the day have held out a hope that early action will be taken to establish communication by way of Capes Tormentine and Traverse. Inquiries have been made as to whether the people living along the route which would have to be taken for the branch railways would be willing to give right of way for the purpose, and those on the mainland, where they have municipal institutions, have consented, I believe, to do so. The passage of the Straits is as important to the other provinces of the Dominion as to Prince Edward Island. I venture to say there are more residents of Toronto or of Montreal than of Prince Edward Island using that route, and it is not a merely local work. But above and beyond this, there is a distinct contract which binds the Government to keep up daily communication across the Straits, and I hope that next year, at all events, the Government will be prepared to take some active measures to fulfil that contract.

Hon. Sir ALEX. CAMPBELL — There was no contract or pledge that a road would be built to Cape Tormentine. The contract was to keep up communication by steam, which we supposed we were doing by means of the *Northern Light,* and which we shall try to do with some other steamer.

Hon. Mr. CARVELL — I do not think that putting a steamer there is a fulfilment of the contract that was entered into. Building the branch roads is the only possible means of keeping up the daily communication by steam promised when we entered the Union.

Hon. Sir ALEX. CAMPBELL — It was thought by everybody that we had accomplished it by means of the *Northern Light.* She was built for the purpose, but has proved a failure, and we must now find a better steamer, such as my hon. friend (Mr. Montgomery) has suggested, to make the passage.

Hon. Mr. GIRARD — I wish to know what provision has been made to enable Manitoba to administer provincial affairs within its new boundaries. I know the Government is well disposed towards the Province, but the present subsidy is not enough to meet the increased expenditure and responsibilities. I must, at the same time, express my gratification at the ample provision that has been made for the early construction of the Canadian Pacific Railway. It will give Manitoba an opportunity to develop its resources, and become ere long one of the leading provinces of the Dominion. I wish to express my thanks to the Government for the appropriation they have made in recognition of the services done by the St. Boniface Hospital in caring for persons who have been wounded or sick while working on the Pacific Railway. I wish also to ask the hon. Postmaster General if he can give me some explanation as to the financial future of the Province of Manitoba.

Hon. Sir ALEX. CAMPBELL — I can give the hon. gentleman some satisfactory information I am sure, because I have been busy this morning in making a note for a despatch to be addressed to the Government of Manitoba on the subject, in answer to representations that have been made partly by the hon. gentleman and by Hon. Mr. Norquay, Premier of Manitoba. Arrangements have been made with Mr. Norquay, which possibly he has not communicated to the hon. gentleman, and those arrangements have been quite satisfactory. Mr. Norquay has been assured that money would be provided to meet the engagements of Manitoba until such time as the Census returns will enable the Government to place the financial condition of that Province on a satisfactory and equitable footing.

The Bill was then read the second and third time and passed.

The Senate adjourned during pleasure.

THE PROROGATION.

At 3.15 p.m. the House was resumed. At 3.30 p.m. His Excellency the Governor General took his seat upon the Throne. The members of the Senate being assembled, His Excellency was pleased to command the attendance of the House of Commons, and, that House being present, the following Bills were assented to in Her Majesty's name by His Excellency the Governor General, viz.:—

An Act respecting Prize Fighting.

An Act further to continue in force for a limited time "The Better Prevention of Crime Act, 1878."

An Act to amend the law respecting Documentary Evidence in certain cases.

An Act to amend the Insolvent Act of 1875, and amending Acts.

An Act to correct a clerical error in schedule B, to the Act forty-third Victoria, chapter twenty-two, amending "The Bank Act" and continuing the charters of certain banks.

An Act to amend the Act forty-third Victoria, chapter sixty-one, entitled "An Act to incorporate the Assiniboine Bridge Company" and to change the name of the said Company.

An Act to amend "The General Inspection Act, 1874," and the Acts amending it.

An Act to reduce the capital stock of the Exchange Bank of Canada and otherwise to amend the Act respecting the said Bank.

An Act to incorporate "The Montreal Board of Trade and Exchange."

An Act to extend the Act establishing one uniform currency for the Dominion of Canada to the Provinces of British Columbia and Prince Edward Island.

An Act further to amend the Act incorporating the Canada Guarantee Company, and to change the name of the said Company to "The Guarantee Company of North America."

An Act to incorporate the Dominion Salvage and Wrecking Company.

An Act to incorporate the Wrecking and Salvage Company of Canada.

An Act to amend the Act of incorporation of "The Accident Insurance Company of Canada," and to authorize the change of the name of the said Company to "The Accident Insurance Company of North America."

An Act to provide for the salaries of an additional Judge of the Court of Queen's Bench and an additional Judge of the Superior Court in the Province of Quebec.

An Act to continue in force for a limited time the Act forty-third Victoria, chapter thirty-six.

An Act to incorporate the Association known as "J. Winslow Jones and Company, (Limited)."

An Act respecting the Canada Consolidated Gold Mining Company.

An Act to incorporate the Bay of Quinté Railway and Navigation Company.

An Act respecting La Banque Ville Marie.

An Act to incorporate the Ontario and Quebec Railway Company.

An Act respecting the Grand Trunk Railway Company of Canada.

An Act to incorporate the Hull Mines Railway Company.

An Act to incorporate the Metropolitan Fire Insurance Company of Canada.

An Act to provide for the correspondence of certain provisions of the Act respecting the navigation of Canadian waters with the provison for like purposes in force in the United Kingdom.

An Act relating to the Canada Military Asylum at Quebec.

An Act to incorporate the Moncton Harbor Improvement Company.

An Act to amend the Act incorporating the Souris and Rocky Mountains Railway Company.

An Act to amend the Petroleum Inspection Act, 1880.

An Act to amend the Acts incorporating the Montreal, Portland and Boston Railway Company.

An Act to remove doubts as to the true construction of section twelve of "The Northern Railway Company Act, 1877."

An Act to amend the Act fortieth Victoria, chapter ten, intituled: "An Act to amend and consolidate the Acts respecting the Customs."

An Act respecting the Northern Railway Company of Canada.

An Act respecting the Ontario and Pacific Junction Railway Company.

An Act to incorporate the Northern, North-Western and Sault Ste. Marie Railway Company.

An Act to incorporate "The Napierville Junction Railway and Quarry Company."

An Act respecting Naturalization and Aliens.

An Act to incorporate the "English and Colonial Insurance Company."

An Act to incorporate the European, American, Canadian and Asiatic Cable Company (Limited).

An Act further to amend an Act respecting certain Savings Banks in the Provinces of Ontario and Quebec, and to continue for a limited time the Charters of certain Banks to which the said Act applies.

An Act to enlarge and extend the powers of the "Credit Foncier Franco-Canadien."

An Act to incorporate the Credit Foncier of the Dominion of Canada.

An Act to amend the Consolidated Railway Act.

An Act to amend and consolidate the laws relating to Government Railways.

An Act with reference to the Andrew Mercer Ontario Reformatory for females, and the Central Prison of Ontario.

An Act to incorporate the Acadia Steamship Company (Limited.)

An Act further to amend the Acts forty-second Victoria, chapter fifteen, and forty-third Victoria, chapter eighteen, as respects duties of customs.

An Act to authorize the raising by way of loan of certain sums of money required for the public service.

An Act in amendment of the Acts respecting steamboats.

An Act to provide for the extension of the boundaries of the Province of Manitoba.

An Act to provide for the allowance of drawback on certain articles manufactured in Canada, and used by the Canadian Pacific Railway Company.

An Act to prescribe a declaration to be taken by employés on telegraph lines under the control of the Government, and to provide for the punishment of telegraph operators and employés who divulge the contents of certain telegrams.

An Act to amend the Act thirty-sixth Victoria, chapter sixty, respecting the Montreal Harbor Commissioners.

An Act to increase the salaries of the Judges of the Supreme Court of Prince Edward Island.

An Act further to amend the Acts therein mentioned respecting the Militia and Defence of the Dominion of Canada.

An Act to remove doubts as to the power to imprison with hard labor under the Acts respecting vagrants.

An Act to amend the Dominion Lands Act.

An Act to amend "The Indian Act, 1880."

An Act further to amend the Act incorporating "The International Railway Company."

An Act to amend the Acts relating to the New Brunswick Railway Company.

An Act to provide for the incorporation of a Company to establish a Marine Telegraph between the Pacific Coast of Canada and Asia.

Then the Speaker of the House of Commons addressed His Excellency as follows:—

"MAY IT PLEASE YOUR EXCELLENCY,

"In the name of the Commons, I present to Your Excellency a Bill intituled, 'An Act for granting to Her Majesty certain sums of money required for defraying certain expenses of the Public Service, for the financial years ending respectively the 30th June, 1881, and the 30th June, 1882, and for other purposes relating to the Public service,' to which I humbly request Your Excellency's assent."

To this Bill the Royal assent was signified in the following words:—

"In Her Majesty's name, His Excellency the Governor-General thanks Her loyal subjects, accepts their benevolence, and assents to this Bill."

After which His Excellency was pleased to close the THIRD SESSION of the FOURTH PARLIAMENT of the DOMINION with the following

SPEECH.

Hon. Gentlemen of the Senate:

Gentlemen of the House of Commons:

In relieving you from your Parliamentary duties after a long and laborious session, I desire to convey to you my best thanks for the assiduity you have shown in their performance.

The measure for transferring to a Company of capitalists the responsibility of constructing and operating the Canadian Pacific Railway will, I am assured, be followed by most favorable results, and ensure the rapid completion of this great national enterprise.

It will be the duty and the interest of the Company to use every exertion to dispose without delay of the lands granted in aid of their undertaking, and for that purpose to promote immigration from abroad on an extensive scale.

My Ministers will, however, not relax their efforts in the same direction, and it is believed that by the united action of the Government and the Company a large influx of valuable settlers may be confidently anticipated. Such an immigration must tend to enhance the value of the public domain in the North-West.

While the system of making free grants to actual settlers will be maintained in its integrity, the lands reserved for sale by the Crown will, it is believed, be disposed of at prices sufficient eventually to repay the whole of the expenditure of money by the Dominion on the construction of the Railway.

The extension of the boundaries of Manitoba will confer the privilege of local self Government on the people already resident in, or who may hereafter occupy, the area now added to the Province, and, by enabling the Legislature to establish municipal institutions in its enlarged limits, tend greatly to add to the welfare of that interesting region.

The amendment of the Naturalization Laws will, I trust, have the effect of removing the disadvantages under which emigrants from Europe have hitherto labored, and of attracting a large influx of population from the Old World.

The consolidation and amendment of the General Railway Acts, and of the laws relating to Government Railways has improved and systematized our Railway Legislation.

I am pleased to observe that you have not been forgetful of the interests of the Indian population of the North-West. It is greatly to be hoped that the efforts to induce them to forsake their nomadic habits and betake themselves to pastoral and agricultural pursuits will be successful. By no other means can their civilization be promoted, the Indians themselves rendered self reliant and self supporting, and the Dominion Treasury relieved of the burden of rescuing them from their apparently chronic state of destitution.

The extension of our telegraphic system by cable in the River and Gulf of St. Lawrence, will aid the fisheries and the commerce of Canada and increase the safety of its waters.

Gentlemen of the House of Commons:

In Her Majesty's name, I thank you for the supplies you have so readily granted, and heartily congratulate you on the improved condition of the revenue.

Honorable Gentlemen of the Senate:

Gentlemen of the House of Commons:

I bid you now farewell, and trust that when Parliament re-assembles we shall be able to congratulate ourselves on Canada having meanwhile enjoyed a season of peace and prosperity.

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